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0100 LEGISLATURE

SUMMARY OF PROGRAM REQUIREMENTS

	2001-02*	2002-03*	2003-04*
10 Senate	\$83,720	\$84,105	\$87,469
20 Assembly	113,608	114,130	118,695
TOTALS, PROGRAMS (General Fund)	\$197,328	\$198,235	\$206,164

SUMMARY BY OBJECT

Senate

	2001-02*	2002-03*	2003-04*
General Fund Expenses:			
Salaries of Senators	\$4,539	\$4,800	\$5,031
Mileage of Lt. Governor, Senators, Officers	—	10	10
Session Per Diem of Senators	990	1,316	1,320
Totals, General Fund Expenditures	\$5,529	\$6,126	\$6,361
Operating Fund Expenses:			
Salaries and employee benefits	67,138	66,182	69,021
Travel and per diem	906	923	941
Automotive expenses	589	724	802
Automotive repairs	100	108	120
Telephone	722	812	849
Telegraph	—	1	1
Postage	904	955	998
Freight	107	123	133
Office supplies	194	193	198
Printing	512	555	539
Publications	114	145	160
Building utilities, maintenance and rent	1,572	1,720	1,840
Office alterations	25	375	280
Furniture and equipment expense	617	920	837
Study contracts	1,094	600	625
Meals	116	121	128
Ceremonies and events	25	33	35
All other expenses	736	756	760
Totals, Operating Fund Expenses	\$75,471	\$75,246	\$78,267
Operating Fund Transfers For:			
Office of the Legislative Analyst (0130)	2,720	2,733	2,841
Totals, Operating Fund Transfers	\$2,720	\$2,733	\$2,841
Totals, Senate Expenditures	\$83,720	\$84,105	\$87,469

Assembly

General Fund Expenses:			
Salaries of Assemblymembers	\$9,034	\$9,043	\$9,479
Mileage of Assemblymembers	—	8	8
Session Per Diem of Assemblymembers	1,934	2,279	2,496
Totals, General Fund Expenditures	\$10,968	\$11,330	\$11,983
Operating Fund Expenses:			
Salaries and employee benefits	78,696	80,420	84,763
Travel and per diem	1,663	1,696	1,730
Automotive expenses	430	448	452
Automotive repairs	125	130	132
Equipment and furniture	2,320	1,972	1,982
Building utilities, maintenance, and rent	3,047	3,078	3,109
Office alterations	645	226	230
Telephone	1,949	1,988	2,008
Telegraph	—	1	1
Postage	258	271	276
Freight	265	270	273
Communications	3,764	2,635	2,661
Office supplies	652	665	675

For the list of standard (lettered) footnotes, see the end of the Governor's Budget.

* Dollars in thousands, except in Salary Range.

0100 LEGISLATURE—Continued

	2001-02*	2002-03*	2003-04*
Printing	\$3,173	\$3,173	\$3,173
Publications	269	277	283
Study contracts	771	385	393
Meals	95	97	98
Ceremonies and events	42	42	43
All other expenses	1,756	1,580	1,588
Totals, Operating Fund Expenses	\$99,920	\$99,354	\$103,870
Operating Fund Transfers For:			
Legislative Counsel Bureau (160)	—	713	—
Office of the Legislative Analyst (0130)	2,720	2,733	2,842
Totals, Operating Fund Transfers	\$2,720	\$3,446	\$2,842
Totals, Assembly Expenditures	\$113,608	\$114,130	\$118,695
TOTALS, EXPENDITURES	\$197,328	\$198,235	\$206,164

RECONCILIATION WITH APPROPRIATIONS

1 STATE OPERATIONS

Senate

0001 General Fund

APPROPRIATIONS	2001-02*	2002-03*	2003-04*
001 Budget Act appropriation	\$83,720	\$84,105	\$87,469
Salaries of Senators	(4,539)	(4,800)	(5,031)
Mileage of Lt. Governor, Senators and Officers	—	(10)	(10)
Expenses of Senators	(990)	(1,316)	(1,320)
Operating expenses	(77,502)	(77,147)	(80,186)
Automotive expenses	(689)	(832)	(922)
TOTALS, EXPENDITURES (0110)	\$83,720	\$84,105	\$87,469

0348 Senate Operating Fund

APPROPRIATIONS			
Government Code Section 9129	\$83,720	\$84,105	\$87,469
Less funding provided by the General Fund	-83,720	-84,105	-87,469
TOTALS, EXPENDITURES (0110)	—	—	—
TOTALS, EXPENDITURES, SENATE (ALL FUNDS)	\$83,720	\$84,105	\$87,469

Assembly

0001 General Fund

APPROPRIATIONS			
011 Budget Act appropriation	\$113,608	\$114,130	\$118,695
Salaries of Assemblymembers	(9,324)	(9,324)	(9,479)
Mileage of Assemblymembers and Officers	(8)	(8)	(8)
Expenses of Assemblymembers	(2,392)	(2,392)	(2,496)
Operating expenses	(101,353)	(101,778)	(106,128)
Automotive expenses	(531)	(628)	(584)
TOTALS, EXPENDITURES (0120)	\$113,608	\$114,130	\$118,695

0125 Assembly Operating Fund

APPROPRIATIONS			
Government Code Section 9129	\$113,608	\$114,130	\$118,695
Less funding provided by the General Fund	-113,608	-114,130	-118,695
TOTALS, EXPENDITURES (0120)	—	—	—
TOTALS, EXPENDITURES, ASSEMBLY (ALL FUNDS)	\$113,608	\$114,130	\$118,695

* Dollars in thousands, except in Salary Range.

0100 LEGISLATURE—Continued

Assembly and Senate

0160 Operating Funds of Assembly and Senate

APPROPRIATIONS

Prior year balances available:	2001-02*	2002-03*	2003-04*
Item 10.1, Budget Act of 1967	\$21	\$21	\$21
Balance available in subsequent years	-21	-21	-21
TOTALS, EXPENDITURES	-	-	-
TOTALS, EXPENDITURES, ALL FUNDS (State Operations).....	\$197,328	\$198,235	\$206,164

FUND CONDITION STATEMENT

0125 Assembly Operating Fund ^s

	2001-02*	2002-03*	2003-04*
BEGINNING BALANCE.....	-	-	-
EXPENDITURES			
Disbursements:			
0120 Legislature (State Operations)	\$113,608	\$114,130	\$118,695
Expenditure Reductions:			
0120 Legislature:			
Less funding provided by the General Fund (State Operations)	-113,608	-114,130	-118,695
Totals, Expenditures.....	-	-	-
FUND BALANCE.....	-	-	-

0160 Operating Funds of the Assembly and Senate ^s

BEGINNING BALANCE.....	\$21	\$21	\$21
FUND BALANCE.....	\$21	\$21	\$21

0348 Senate Operating Fund ^s

BEGINNING BALANCE.....	\$308	\$308	\$308
EXPENDITURES			
Disbursements:			
0110 Legislature (State Operations)	83,720	84,105	87,469
Expenditure Reductions:			
0110 Legislature:			
Less funding provided by the General Fund (State Operations)	-83,720	-84,105	-87,469
Totals, Expenditures.....	-	-	-
FUND BALANCE.....	\$308	\$308	\$308
Reserve for economic uncertainties	308	308	308

0150 CONTRIBUTIONS TO THE LEGISLATORS' RETIREMENT SYSTEM

Established in 1947, the Legislators' Retirement System (LRS) provides retirement and death benefits for legislators, constitutional officers, and legislative statutory officers. Chapter 937, Statutes of 1977, established the State's contribution rate at 18.81 percent of payroll. The LRS also is financed through member contributions of 4 percent for members enrolled prior to March 4, 1972, and 8 percent for members enrolled thereafter, and through investment earnings. Administration of the LRS is provided by the Public Employees' Retirement System (CalPERS). Retirement benefits paid are based upon age, years of service, and compensation. For members of the Legislature and constitutional officers, benefits are modified according to the actual calendar years that the service was performed. Survivors, death, and disability benefits also are provided under specific conditions.

Pursuant to Proposition 140, approved by the electorate on November 6, 1990, legislators taking office for the first time after November 6, 1990 are not eligible for participation in the LRS.

Chapter 897, Statutes of 1999, eliminated the State's statutorily specified contribution rate to the LRS and instead requires the State's contribution to be actuarially determined. This Chapter, upon approval of the CalPERS Board of Administration, also allowed the reduction of member contributions when the State contribution is zero percent (0%). Since the LRS is currently super-funded, this Chapter effectively reduced General Fund contributions and member contributions to zero beginning in 2000-01. The LRS will pay approximately \$7.6 million in benefits to annuitants in 2003-04. The CalPERS is requesting \$280,000 for administrative costs.

For the list of standard (lettered) footnotes, see the end of the Governor's Budget.

* Dollars in thousands, except in Salary Range.

0150 CONTRIBUTIONS TO THE LEGISLATORS' RETIREMENT SYSTEM—Continued**RECONCILIATION WITH APPROPRIATIONS****4 UNCLASSIFIED****0820 Legislators' Retirement Fund**

APPROPRIATIONS	2001-02*	2002-03*	2003-04*
Government Code Section 9359.1.....	\$6,717	\$7,064	\$7,570
TOTALS, EXPENDITURES	\$6,717	\$7,064	\$7,570
TOTALS, EXPENDITURES, ALL FUNDS (Unclassified)	\$6,717	\$7,064	\$7,570

FUND CONDITION STATEMENT**0820 Legislators' Retirement Fund ^a**

	2001-02*	2002-03*	2003-04*
BEGINNING BALANCE.....	\$138,736	\$128,012	\$120,227
REVENUES AND TRANSFERS			
Operating Revenues:			
215000 Income from investments:			
Net income	20	15	10
Net profit	-3,801	-	-
221000 Contributions from fiduciary funds:			
Contributions from members	14	-	-
Refund of contributions	-	-450	-150
Totals, Operating Revenues	-\$3,767	-\$435	-\$140
Totals, Resources	\$134,969	\$127,577	\$120,087
EXPENDITURES			
Disbursements:			
0150 Contributions to the Legislators' Retirement System (Benefits Paid)			
(Unclassified).....	6,717	7,064	7,570
1900 Public Employees' Retirement System (State Operations).....	240	286	280
Totals, Disbursements	\$6,957	\$7,350	\$7,850
FUND BALANCE.....	\$128,012	\$120,227	\$112,237

0160 LEGISLATIVE COUNSEL BUREAU

The Legislative Counsel Bureau provides legal assistance to the two houses of the Legislature and their members and committees in resolving a large volume of complex legal problems arising in connection with the legislative process, all of which must be resolved within a critical time span. The legal services furnished include rendering opinions, drafting bills, counseling, attendance as counsel at meetings of legislative committees, and representing the Legislature in litigation. The attorney-client relationship is maintained, and all work is confidential.

In addition, the Bureau prepares and provides necessary indices and appropriate tables necessary to identify legislative measures, and compiles and indexes statutes and codes.

The Bureau operates a data center which is used for the legislative information system and the processing of legislative measures.

SUMMARY OF PROGRAM

REQUIREMENTS	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
TOTALS, PROGRAMS.....	568.4	616.9	616.9	\$79,868	\$79,442	\$77,622
0001 General Fund.....				78,375	79,311	77,491
0995 Reimbursements				1,493	131	131

SUMMARY BY OBJECT**1 STATE OPERATIONS**

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A)	568.4	626.5	626.5	\$33,356	\$36,822	\$37,436
Estimated Salary Savings	-	-9.6	-9.6	-	-562	-571
Net Totals, Salaries and Wages	568.4	616.9	616.9	\$33,356	\$36,260	\$36,865
Staff Benefits	-	-	-	6,774	8,917	7,373
Totals, Personal Services	568.4	616.9	616.9	\$40,130	\$45,177	\$44,238
OPERATING EXPENSES AND EQUIPMENT				\$39,738	\$34,265	\$33,384
TOTALS, EXPENDITURES				\$79,868	\$79,442	\$77,622

For the list of standard (lettered) footnotes, see the end of the Governor's Budget.

* Dollars in thousands, except in Salary Range.

0160 LEGISLATIVE COUNSEL BUREAU—Continued

RECONCILIATION WITH APPROPRIATIONS

1 STATE OPERATIONS

0001 General Fund

APPROPRIATIONS	2001-02*	2002-03*	2003-04*
001 Budget Act appropriation	\$77,539	\$77,765	\$77,491
Allocation for employee compensation	167	470	—
Adjustment per Section 3.60	1,053	1,084	—
Adjustment per Section 4.00	-384	—	—
Adjustment per Section 4.20	—	-8	—
TOTALS, EXPENDITURES	\$78,375	\$79,311	\$77,491

0995 Reimbursements

APPROPRIATIONS			
Reimbursements	\$1,493	\$131	\$131
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$79,868	\$79,442	\$77,622

0250 JUDICIAL

Article VI of the Constitution creates the Supreme Court of California and the Courts of Appeal to exercise the judicial power of the state at the appellate level. Article VI also creates the Judicial Council of California to administer the state's judicial system. Chapter 869, Statutes of 1997, created the California Habeas Corpus Resource Center to represent any person financially unable to employ appellate counsel in capital cases.

Major Budget Adjustment Proposed for 2002-03

- Reduction Issues in the December Revision
 - An unallocated reduction of \$8,500,000 General Fund.

Major Budget Adjustment Proposed 2003-04

- Reduction Issues in the December Revision
 - An unallocated reduction of \$17,700,000 General Fund.

SUMMARY OF PROGRAM

REQUIREMENTS	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
10 Supreme Court	135.0	142.2	142.2	\$34,009	\$36,262	\$38,000
20 Courts of Appeal	764.2	850.0	847.6	153,625	166,797	171,978
30 Judicial Council	404.5	485.3	490.3	142,958	140,547	142,205
50 Habeas Corpus Resource Center	59.2	65.5	65.5	9,241	10,222	10,361
TOTALS, PROGRAMS	1,362.9	1,543.0	1,545.6	\$339,833	\$353,828	\$362,544
Unallocated General Fund Reduction	—	—	—	—	-8,500	-17,700
NET TOTALS, PROGRAMS	1,362.9	1,543.0	1,545.6	\$339,833	\$345,328	\$344,844
0001 General Fund				290,657	289,061	289,409
0044 Motor Vehicle Account, State Transportation Fund				135	137	135
0327 Court Interpreters' Fund				93	84	84
0587 Family Law Trust Fund				1,353	3,019	3,019
0890 Federal Trust Fund				1,821	4,700	4,710
9728 Judicial Branch Workers' Compensation Fund				—	—	3
Less funding provided by the General Fund				—	—	-1
0995 Reimbursements				45,774	48,327	47,485

10 SUPREME COURT

Program Objectives Statement

The Supreme Court is the highest court in the California judicial system. The Chief Justice of California and the six Associate Justices entertain petitions seeking review of decisions from the Courts of Appeal, original petitions for extraordinary relief (such as writs of mandate or habeas corpus), and recommendations for discipline of judicial officers and attorneys. The Court grants review and issues opinions in order to settle legal questions of statewide importance. In addition, under the state constitution, all death penalty judgments are appealed directly to the Supreme Court.

20 COURTS OF APPEAL

Program Objectives Statement

The six District Courts of Appeal hear appeals and original proceedings at nine different locations around the State of California. Cases before the Courts of Appeal involve every area of civil and criminal law.

For the list of standard (lettered) footnotes, see the end of the Governor's Budget.

* Dollars in thousands, except in Salary Range.

0250 JUDICIAL—Continued

Major Budget Adjustment Proposed for 2003–04

- Savings of \$500,000 General Fund related to the consolidation of administrative functions.

30 JUDICIAL COUNCIL

Program Objectives Statement

The Judicial Council of California is the constitutional policy making body for the state judiciary. The Council consists of 21 voting members and six advisory members; the Chief Justice of California serves as chair. The Administrative Office of the Courts is the administrative arm of the Council. This office provides policy support to the Council, administrative accountability in the operation of the courts as specified by law, and administrative support for courts in areas such as budget, coordination of the assignment of retired judges, technology, education and research.

Major Budget Adjustment Proposed for 2003–04

- An increase of \$635,000 General Fund, 1.0 Senior Human Resource Specialist, and 4.0 Regional Schedulers for activities related to the Trial Court Interpreter Labor and Employee Relations Act (Chapter 1047, Statutes of 2002).

50 HABEAS CORPUS RESOURCE CENTER

Program Objectives Statement

The Habeas Corpus Resource Center provides legal representation for indigent petitioners in death penalty habeas corpus proceedings before the Supreme Court of California and the federal courts. The Center also recruits and trains attorneys to expand the pool of private counsel qualified to accept appointments in death penalty habeas corpus proceedings, serves as a resource to them, and thereby helps to reduce the number of unrepresented indigents on California's death row.

PROGRAM BUDGET DETAIL

PROGRAM REQUIREMENTS

10 SUPREME COURT

State Operations:	2001–02*	2002–03*	2003–04*
0001 General Fund	\$34,009	\$36,262	\$38,000
Totals, State Operations	\$34,009	\$36,262	\$38,000

PROGRAM REQUIREMENTS

20 COURTS OF APPEAL

State Operations:			
0001 General Fund	\$152,637	\$165,951	\$171,978
0995 Reimbursements	988	846	–
Totals, State Operations	\$153,625	\$166,797	\$171,978

PROGRAM REQUIREMENTS

30 JUDICIAL COUNCIL

State Operations:			
0001 General Fund	\$81,065	\$72,570	\$74,214
0044 Motor Vehicle Account, State Transportation Fund	135	137	135
0327 Court Interpreters' Fund	93	84	84
0587 Family Law Trust Fund	1,353	3,019	3,019
0890 Federal Trust Fund	1,021	1,425	1,435
9728 Judicial Branch Workers' Compensation Fund	–	–	3
Less funding provided by the General Fund	–	–	–1
0995 Reimbursements	1,602	2,799	2,803
Totals, State Operations	\$85,269	\$80,034	\$81,692
Local Assistance:			
0001 General Fund	13,705	13,556	13,556
0890 Federal Trust Fund	800	2,275	2,275
0995 Reimbursements	43,184	44,682	44,682
Totals, Local Assistance	\$57,689	\$60,513	\$60,513
Totals, Program 30	\$142,958	\$140,547	\$142,205

* Dollars in thousands, except in Salary Range.

0250 JUDICIAL—Continued

PROGRAM REQUIREMENTS

50 HABEAS CORPUS RESOURCE CENTER

State Operations:	2001-02*	2002-03*	2003-04*
0001 General Fund	\$9,241	\$9,222	\$9,361
0890 Federal Trust Fund	—	1,000	1,000
Totals, State Operations	\$9,241	\$10,222	\$10,361
TOTALS, EXPENDITURES (State Operations)	\$282,144	\$293,315	\$302,031
TOTALS, EXPENDITURES (Local Assistance)	\$57,689	\$60,513	\$60,513
TOTALS, EXPENDITURES	\$339,833	\$353,828	\$362,544
Unallocated General Fund Reduction	—	-8,500	-17,700
NET TOTALS, EXPENDITURES	\$339,833	\$345,328	\$344,844

SUMMARY BY OBJECT

10 Supreme Court

1 STATE OPERATIONS

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A)	135.0	145.0	145.0	\$13,047	\$13,978	\$14,204
Estimated Salary Savings	—	-2.8	-2.8	—	-255	-259
Net Totals, Salaries and Wages	135.0	142.2	142.2	\$13,047	\$13,723	\$13,945
Staff Benefits	—	—	—	2,028	2,563	2,604
Totals, Personal Services	135.0	142.2	142.2	\$15,075	\$16,286	\$16,549
OPERATING EXPENSES AND EQUIPMENT				\$7,552	\$6,467	\$6,589
SPECIAL ITEMS OF EXPENSE				11,382	13,509	14,862
TOTALS, EXPENDITURES, SUPREME COURT (General Fund)				\$34,009	\$36,262	\$38,000

SUMMARY BY OBJECT

20 Courts of Appeal

1 STATE OPERATIONS

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A)	764.2	873.0	870.5	\$69,365	\$79,371	\$80,230
Estimated Salary Savings	—	-23.0	-22.9	—	-1,877	-1,897
Net Totals, Salaries and Wages	764.2	850.0	847.6	\$69,365	\$77,494	\$78,333
Staff Benefits	—	—	—	10,366	14,511	14,668
Totals, Personal Services	764.2	850.0	847.6	\$79,731	\$92,005	\$93,001
OPERATING EXPENSES AND EQUIPMENT				\$25,355	\$21,946	\$25,249
SPECIAL ITEMS OF EXPENSE				48,539	52,846	53,728
TOTALS, EXPENDITURES, COURTS OF APPEAL (General Fund)				\$153,625	\$166,797	\$171,978

SUMMARY BY OBJECT

30 Judicial Council

1 STATE OPERATIONS

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A)	404.5	510.8	510.8	\$30,361	\$39,512	\$40,856
Total Adjustments	—	—	5.0	—	—	315
Estimated Salary Savings	—	-25.5	-25.5	—	-1,948	-2,014
Net Totals, Salaries and Wages	404.5	485.3	490.3	\$30,361	\$37,564	\$39,157

* Dollars in thousands, except in Salary Range.

0250 JUDICIAL—Continued

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
Staff Benefits	—	—	—	\$6,550	\$8,467	\$8,826
Totals, Personal Services	404.5	485.3	490.3	\$36,911	\$46,031	\$47,983
OPERATING EXPENSES AND EQUIPMENT				\$47,658	\$33,603	\$33,309
SPECIAL ITEMS OF EXPENSE				700	400	400
TOTALS, EXPENDITURES, JUDICIAL COUNCIL				\$85,269	\$80,034	\$81,692

SUMMARY BY OBJECT

50 Habeas Corpus Resource Center

1 STATE OPERATIONS

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A)	59.2	69.0	69.0	\$4,168	\$4,914	\$5,097
Estimated Salary Savings	—	-3.5	-3.5	—	-246	-255
Net Totals, Salaries and Wages	59.2	65.5	65.5	\$4,168	\$4,668	\$4,842
Staff Benefits	—	—	—	784	942	977
Totals, Personal Services	59.2	65.5	65.5	\$4,952	\$5,610	\$5,819
OPERATING EXPENSES AND EQUIPMENT				\$4,289	\$4,612	\$4,542
TOTALS, EXPENDITURES, HABEAS CORPUS RESOURCE CENTER				\$9,241	\$10,222	\$10,361
NET TOTALS, EXPENDITURES, ALL PROGRAMS				\$282,144	\$293,315	\$302,031
Unallocated General Fund Reduction				—	-8,500	-17,700
GRAND TOTALS, EXPENDITURES, ALL PROGRAMS				\$282,144	\$284,815	\$284,331

RECONCILIATION WITH APPROPRIATIONS

1 STATE OPERATIONS

0001 General Fund

	2001-02*	2002-03*	2003-04*
APPROPRIATIONS			
001 Budget Act appropriation	\$282,394	\$278,350	\$274,834
Allocation for employee compensation	743	1,887	—
Adjustment per Section 3.60	4,272	3,596	—
Adjustment per Section 4.60	-323	—	—
Adjustment per Section 4.00	-1,006	—	—
Allocation for Americans with Disabilities Act (ADA) Barrier Removal	139	—	—
Adjustment per Section 4.20	—	-20	—
Adjustment per Mid-Year Revision Legislation	—	-8,500	—
003 Budget Act appropriation	44	196	1,018
011 Budget Act appropriation (Transfer to the Judicial Branch Workers' Compensation Fund)	—	—	1
Totals Available	\$286,263	\$275,509	\$275,853
Unexpended balance, estimated savings	-9,311	-4	—
TOTALS, EXPENDITURES	\$276,952	\$275,505	\$275,853

0044 Motor Vehicle Account, State Transportation Fund

APPROPRIATIONS			
001 Budget Act appropriation	\$134	\$132	\$135
Allocation for employee compensation	—	1	—
Adjustment per Section 3.60	2	4	—
Adjustment per Section 4.00	-1	—	—
TOTALS, EXPENDITURES	\$135	\$137	\$135

0327 Court Interpreters' Fund

APPROPRIATIONS			
001 Budget Act appropriation	\$93	\$84	\$84
TOTALS, EXPENDITURES	\$93	\$84	\$84

* Dollars in thousands, except in Salary Range.

0250 JUDICIAL—Continued

0587 Family Law Trust Fund

APPROPRIATIONS	2001-02*	2002-03*	2003-04*
Family Code Section 1852	\$1,353	\$3,019	\$3,019
TOTALS, EXPENDITURES	\$1,353	\$3,019	\$3,019

0890 Federal Trust Fund

APPROPRIATIONS			
001 Budget Act appropriation	\$2,424	\$2,411	\$2,435
Allocation for employee compensation	—	3	—
Adjustment per Section 3.60	9	11	—
Budget Adjustment	-1,412	—	—
TOTALS, EXPENDITURES	\$1,021	\$2,425	\$2,435

0995 Reimbursements

APPROPRIATIONS			
Reimbursements	\$2,590	\$3,645	\$2,803

9728 Judicial Branch Workers' Compensation Fund

APPROPRIATIONS			
Government Code Section 68114.10	—	—	\$3
TOTALS, EXPENDITURES	—	—	\$3
Less Funding Provided by General Fund	—	—	-1
NET TOTALS, EXPENDITURES	—	—	\$2
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$282,144	\$284,815	\$284,331

RECONCILIATION WITH APPROPRIATIONS

2 LOCAL ASSISTANCE

0001 General Fund

APPROPRIATIONS	2001-02*	2002-03*	2003-04*
101 Budget Act appropriation	\$13,707	\$13,556	\$13,556
Totals Available	\$13,707	\$13,556	\$13,556
Unexpended balance, estimated savings	-2	—	—
TOTALS, EXPENDITURES	\$13,705	\$13,556	\$13,556

0890 Federal Trust Fund

APPROPRIATIONS			
101 Budget Act appropriation	\$2,275	\$2,275	\$2,275
Budget Adjustment	-1,475	—	—
TOTALS, EXPENDITURES	\$800	\$2,275	\$2,275

0995 Reimbursements

APPROPRIATIONS			
Reimbursements	\$43,184	\$44,682	\$44,682
TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)	\$57,689	\$60,513	\$60,513
TOTALS, EXPENDITURES, ALL FUNDS (State Operations and Local Assistance)	\$339,833	\$345,328	\$344,844

FUND CONDITION STATEMENT

0327 Court Interpreters' Fund ^s

	2001-02*	2002-03*	2003-04*
BEGINNING BALANCE	\$20	\$68	\$100
Prior year adjustments	—	—	—
Balance, Adjusted	\$20	\$68	\$100

* Dollars in thousands, except in Salary Range.

0250 JUDICIAL—Continued

REVENUES AND TRANSFERS

Revenues:

	2001-02*	2002-03*	2003-04*
125700 Other regulatory licenses and permits.....	\$141	\$116	\$141
Totals, Resources.....	\$161	\$184	\$241

EXPENDITURES

Disbursements:

0250 Judicial:

State Operations.....	93	84	84
Totals, Disbursements.....	\$93	\$84	\$84

FUND BALANCE.....

Reserve for economic uncertainties	\$68	\$100	\$157
	68	100	157

0587 Family Law Trust Fund ^s

BEGINNING RESERVES

Prior year adjustments	\$5,634	\$6,277	\$4,661
Balance, Adjusted.....	—	—	—
	\$5,634	\$6,277	\$4,661

REVENUES AND TRANSFERS

Revenues:

150300 Income from surplus money investments.....	211	174	174
161400 Miscellaneous revenue: (Dissolution Copy Fee (Government Code Section 26832))	1,785	1,229	1,229
Totals, Revenues	\$1,996	\$1,403	\$1,403
Totals, Resources	\$7,630	\$7,680	\$6,064

EXPENDITURES

Disbursements:

0250 Judicial:

State Operations.....	1,353	3,019	3,019
Totals, Disbursements.....	\$1,353	\$3,019	\$3,019

FUND BALANCE.....

Reserve for economic uncertainties	\$6,277	\$4,661	\$3,045
	6,277	4,661	3,045

9728 Judicial Branch Workers' Compensation Fund ⁿ

BEGINNING BALANCE.....

	—	—	—
--	---	---	---

EXPENDITURES

Disbursements:

0250 Judicial (State Operations)	—	—	\$3
--	---	---	-----

Expenditure Reductions:

0250 Judicial (State Operations):

Less Funding provided by General Fund	—	—	—1
---	---	---	----

0280 Commission on Judicial Performance (State Operations):

Less funding provided by General Fund	—	—	—1
---	---	---	----

0450 State Trial Court Funding (Local Assistance):

Less funding provided by Trial Court Trust Fund	—	—	—1
---	---	---	----

Totals, Disbursements.....

	—	—	—
--	---	---	---

FUND BALANCE.....

	—	—	—
--	---	---	---

CHANGES IN
AUTHORIZED POSITIONS

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
Totals, Authorized Positions	1,362.9	1,597.8	1,595.3	\$116,941	\$137,775	\$140,387
Proposed New Positions:						
Administrative Office of the Courts:						
Human Resources Division:				Salary Range		
Regional Schedulers	—	—	4.0	3,250-6,779	—	241
Sr Human Resources Analyst.....	—	—	1.0	5,571-6,770	—	74
Totals, Proposed New Positions	—	—	5.0	—	—	\$315
Total Adjustments	—	—	5.0	—	—	\$315
TOTALS, SALARIES AND WAGES	1,362.9	1,597.8	1,600.3	\$116,941	\$137,775	\$140,702

* Dollars in thousands, except in Salary Range.

0250 JUDICIAL—Continued

STATE BUILDING PROGRAM EXPENDITURES		Actual 2001-02*	Estimated 2002-03*	Proposed 2003-04*
80 CAPITAL OUTLAY				
PROGRAM ELEMENTS				
Major Projects				
90.20.401	Fourth Appellate District New Courthouse-Santa Ana	—	\$14,350 ^{WCn}	—
90.20.501	Fifth Appellate District New Courthouse-Fresno	—	17,559 ^{WCn}	—
90.20.601	Second Appellate District, Los Angeles-Renovation for new Judgeships	\$118 ^{PWg}	449 ^{Cg}	—
Totals, Major Projects		\$118	\$32,358	—
Minor Projects				
90.20.900	Minor Projects	\$205	—	—
Totals, Minor Projects		\$205	—	—
TOTALS, EXPENDITURES, CAPITAL OUTLAY		\$323	\$32,358	—
0001	General Fund	323	449	—
0660	Public Buildings Construction Fund	—	31,909	—

RECONCILIATION WITH APPROPRIATIONS

3 CAPITAL OUTLAY

0001 General Fund

APPROPRIATIONS				
301	Budget Act appropriation	\$772	—	—
Prior year balances available:				
Item 0250-301-0001,	Budget Act of 2001	—	\$449	—
Totals Available		\$772	\$449	—
Balance available in subsequent years		-449	—	—
TOTALS, EXPENDITURES		\$323	\$449	—
0660 Public Buildings Construction Fund				
APPROPRIATIONS				
301	Budget Act appropriation	—	\$31,909	—
TOTALS, EXPENDITURES		—	\$31,909	—
TOTALS, EXPENDITURES, ALL FUNDS (Capital Outlay)		\$323	\$32,358	—

0280 COMMISSION ON JUDICIAL PERFORMANCE

Article VI of the State Constitution creates the Commission on Judicial Performance to consider complaints against judges. Pursuant to Proposition 190 which amended the California Constitution, Article VI, Section 18(l), the budget of the Commission on Judicial Performance shall be separate from the budget of any other state agency or court.

Major Budget Adjustments Proposed for 2003-04

- An unallocated reduction of \$1,036,000 General Fund.
- Establish a \$1,000 General Fund transfer to the Judicial Branch Workers' Compensation Fund to implement Chapter 905, Statutes of 2002.

SUMMARY OF PROGRAM REQUIREMENTS							
	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*	
10 Commission on Judicial Performance	23.3	27.0	27.0	\$3,566	\$4,143	\$3,112	
TOTALS, PROGRAMS	23.3	27.0	27.0	\$3,566	\$4,143	\$3,112	
0001 General Fund				3,566	4,143	3,113	
9728 Judicial Branch Workers' Compensation Fund				—	—	-1	

For the list of standard (lettered) footnotes, see the end of the Governor's Budget.

* Dollars in thousands, except in Salary Range.

0280 COMMISSION ON JUDICIAL PERFORMANCE—Continued

SUMMARY BY OBJECT

1 STATE OPERATIONS

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A)	23.3	27.0	27.0	\$1,947	\$2,303	\$2,349
Net Totals, Salaries and Wages	23.3	27.0	27.0	\$1,947	\$2,303	\$2,349
Staff Benefits	—	—	—	352	512	526
Totals, Personal Services	23.3	27.0	27.0	\$2,299	\$2,815	\$2,875
OPERATING EXPENSES AND EQUIPMENT				\$1,267	\$1,328	\$1,273
TOTALS, EXPENDITURES				\$3,566	\$4,143	\$4,148
Unallocated Reduction				—	—	-1,036
NET TOTALS, EXPENDITURES				\$3,566	\$4,143	\$3,112

RECONCILIATION WITH APPROPRIATIONS

1 STATE OPERATIONS

0001 General Fund

	2001-02*	2002-03*	2003-04*
APPROPRIATIONS			
001 Budget Act appropriation	\$3,976	\$4,055	\$3,112
Allocation for employee compensation	7	18	—
Adjustment per Section 3.60	79	70	—
011 Budget Act Appropriation (transfer to Judicial Branch Workers' Compensation Fund)	—	—	1
Totals Available	\$4,062	\$4,143	\$3,113
Unexpended balance, estimated savings	-496	—	—
TOTALS, EXPENDITURES	\$3,566	\$4,143	\$3,113

9728 Judicial Branch Workers' Compensation Fund

APPROPRIATIONS			
Less funding provided by the General Fund	—	—	-\$1
NET TOTALS, EXPENDITURES	—	—	-\$1
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$3,566	\$4,143	\$3,112

0390 CONTRIBUTIONS TO THE JUDGES' RETIREMENT SYSTEM

The Judges' Retirement System (JRS) provides retirement benefit funding for California's Supreme and Appellate Court Judges and Superior and Municipal Court Judges. The JRS retirement benefits are based on age, years of service, compensation of active judges, and eligibility as determined by specific sections of the Judges' Retirement Law. Survivors, death, and disability benefits also are provided under specific conditions. The JRS receives contributions equal to eight percent of salary from both active judges and the State. Additional contributions come from filing fees from specific civil cases, investment income, and State General Fund. These contributions, however, are insufficient to fully fund benefit payments. Consequently, current law requires the State to fund the deficiency between existing contribution resources and the required benefit payments to annuitants (Government Code Section 75107).

Chapter 879, Statutes of 1994, established the Judges' Retirement System II (JRS II). All new judges elected or appointed on or after November 9, 1994, become members of JRS II. It is anticipated that JRS II will be fully funded from employer and member contributions on a prospective basis, thereby eliminating the "pay-as-you-go" feature characteristic of the original JRS program (JRS I). JRS II members also have the option of choosing a monetary credit plan (includes a lump-sum return of contributions and interest earned) or the defined benefit plan.

For 2003-04, the budget proposes a total of \$132.1 million General Fund; \$33.2 million for the State's contribution for sitting judges, and \$98.9 million to pay benefits to retired judges.

The budget provides contributions for the following number of judges by type of court:

Type of Court	Number of Judges		
Supreme	7	7	7
Appellate	105	105	105
Local Assistance:			
Superior	1,498	1,498	1,498
Totals	1,610	1,610	1,610

Authority

Government Code Sections 75000, et seq.

For the list of standard (lettered) footnotes, see the end of the Governor's Budget.

* Dollars in thousands, except in Salary Range.

0390 CONTRIBUTIONS TO THE JUDGES' RETIREMENT SYSTEM—Continued**RECONCILIATION WITH APPROPRIATIONS****1 STATE OPERATIONS****0001 General Fund**

APPROPRIATIONS	2001-02*	2002-03*	2003-04*
001 Budget Act appropriation	\$1,150	\$1,150	\$1,150
Government Code Section 75101 (JRS I)	1,257	1,336	1,336
Government Code Section 75600.5 (JRS II)	155	237	237
TOTALS, EXPENDITURES	\$2,562	\$2,723	\$2,723
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$2,562	\$2,723	\$2,723

RECONCILIATION WITH APPROPRIATIONS**2 LOCAL ASSISTANCE****0001 General Fund**

APPROPRIATIONS	2001-02*	2002-03*	2003-04*
101 Budget Act appropriation	\$51,859	\$85,779	\$97,720
Government Code Section 75101 (JRS I)	10,795	12,535	13,228
Government Code Section 75600.5 (JRS II)	12,331	16,647	18,436
TOTALS, EXPENDITURES	\$74,985	\$114,961	\$129,384
TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)	\$74,985	\$114,961	\$129,384

RECONCILIATION WITH APPROPRIATIONS**4 UNCLASSIFIED****0815 Judges' Retirement Fund**

APPROPRIATIONS	2001-02*	2002-03*	2003-04*
Government Code Section 75025	\$109,557	\$115,110	\$120,835
Number of Annuitants (JRS I)	(1,486)	(1,516)	(1,546)
TOTALS, EXPENDITURES	\$109,557	\$115,110	\$120,835

0884 Judges' Retirement System II Fund

APPROPRIATIONS	2001-02*	2002-03*	2003-04*
Government Code Section 75522	\$209	\$300	\$892
Number of Annuitants (JRS II)	(3)	(3)	(7)
TOTALS, EXPENDITURES	\$209	\$300	\$892
TOTALS, EXPENDITURES, ALL FUNDS (Unclassified)	\$109,766	\$115,410	\$121,727
TOTALS, EXPENDITURES, ALL FUNDS (State Operations, Local Assistance and Unclassified)	\$187,313	\$233,094	\$253,834

FUND CONDITION STATEMENT**0815 Judges' Retirement Fund ⁿ**

	2001-02*	2002-03*	2003-04*
BEGINNING BALANCE	\$32,365	\$4,981	\$8,871
Prior year adjustments	7	—	—
Balance, Adjusted	\$32,372	\$4,981	\$8,871
REVENUES AND TRANSFERS			
Operating Revenues:			
215000 Income from investments	1,003	1,000	1,000
216000 Fees and licenses (filing fees)	3,371	3,000	3,000
221000 Contributions from judges	11,714	13,871	14,564

* Dollars in thousands, except in Salary Range.

0390 CONTRIBUTIONS TO THE JUDGES' RETIREMENT SYSTEM—Continued

		2001-02*	2002-03*	2003-04*
221000	Refunds of contributions.....	—	\$395	\$395
221000	Contributions from State.....	\$12,052	13,871	14,564
221000	Contributions for assignments.....	1,409	500	500
299000	Budget Act appropriation (administration) (transfer from General Fund).....	392	567	568
299000	Budget Act appropriations (transfer from General Fund).....	52,617	86,363	98,303
	Totals, Operating Revenues.....	\$82,558	\$119,567	\$132,894
	Totals, Resources.....	\$114,930	\$124,548	\$141,765
EXPENDITURES				
Disbursements:				
0390	Contributions to the Judges' Retirement System (Unclassified):			
	Benefits paid from Judges' Retirement Fund.....	109,557	115,110	120,835
1900	Public Employees' Retirement System—Administrative costs (State Operations).....	392	567	568
	Totals, Disbursements.....	\$109,949	\$115,677	\$121,403
	FUND BALANCE.....	\$4,981	\$8,871	\$20,362
0884 Judges' Retirement System II Fund ⁿ				
	BEGINNING BALANCE.....	\$51,982	\$65,299	\$87,790
	Prior year adjustments.....	—	—	—
	Balance, Adjusted.....	\$51,982	\$65,299	\$87,790
REVENUES AND TRANSFERS				
Operating Revenues:				
215000	Income from investments.....	-3,871	—	—
221000	Contributions from judges.....	5,291	7,021	7,766
221000	Contributions from State.....	12,487	16,884	18,673
221000	Refunds of contributions.....	-92	-650	-500
	Totals, Operating Revenues.....	\$13,815	\$23,255	\$25,939
	Totals, Resources.....	\$65,797	\$88,554	\$113,729
EXPENDITURES				
Disbursements:				
0390	Contributions to the Judges' Retirement System (Unclassified):			
	Benefits paid to Judges' Retirement II.....	209	300	892
1900	Public Employees' Retirement System (State Operations).....	289	464	465
	Totals, Disbursements.....	\$498	\$764	\$1,357
	FUND BALANCE.....	\$65,299	\$87,790	\$112,372

0450 STATE TRIAL COURT FUNDING

Chapter 850, Statutes of 1997, enacted the Lockyer-Isenberg Trial Court Funding Act of 1997 to provide a stable and consistent funding source for the trial courts. Beginning with the 1997-98 fiscal year, consolidation of the costs of operation of the trial courts was implemented at the state level, with the exception of facility, revenue collection, and local judicial benefit costs. This implementation capped the counties' general purpose revenue contributions to trial court costs at a revised 1994-95 level. The county contributions become part of the Trial Court Trust Fund, which supports all trial court operations. Fine and penalty revenue collected by each county is retained, and each county makes quarterly payments to the Trial Court Trust Fund equal to the fine and penalty revenue received by the State General Fund in 1994-95. Chapter 1082, Statutes of 2002, enacted the Trial Court Facilities Act of 2002, which provided a process for the responsibility for court facilities to be transferred from the counties to the State by July 1, 2007. This Chapter also established several new revenue sources, which went into effect on January 1, 2003. These revenues are deposited into the Court Facilities Construction Fund for the purpose of funding the construction and maintenance of court facilities throughout the State.

Major Budget Adjustment Proposed for 2002-03

- Reduction Issues in the December Revision
 - An unallocated reduction of \$36,000,000 General Fund.

Major Budget Adjustment Proposed for 2003-04

- Reduction Issues in the December Revision
 - An unallocated reduction of \$116,000,000 General Fund.

For the list of standard (lettered) footnotes, see the end of the Governor's Budget.

* Dollars in thousands, except in Salary Range.

0450 STATE TRIAL COURT FUNDING—Continued**TRIAL COURT FUNDING****SUMMARY OF PROGRAM REQUIREMENTS**

	<i>2001-02*</i>	<i>2002-03*</i>	<i>2003-04*</i>
10 Support for the Operation of Trial Courts.....	\$1,792,680	\$1,946,370	\$2,004,764
25 Salaries of Superior Court Judges.....	204,440	218,624	226,601
35 Assigned Judges	20,062	20,600	20,640
45 Court Interpreters	60,500	59,674	68,036
Unallocated	—	—	—
TOTALS, PROGRAMS	\$2,077,682	\$2,245,268	\$2,320,041
Unallocated General Fund Reduction	—	—36,000	—116,000
NET TOTALS, PROGRAMS.....	\$2,077,682	\$2,209,268	\$2,204,041
0001 General Fund.....	1,196,797	1,092,413	791,146
0159 Trial Court Improvement Fund	62,771	136,745	109,132
0556 Judicial Administration Efficiency and Modernization Fund	34,244	43,946	34,122
Less funding provided by the General Fund.....	—34,122	—26,122	—34,122
3037 State Court Facilities Construction Fund	—	—	—
0932 Trial Court Trust Fund	1,980,667	2,028,577	2,060,788
Less funding provided by the General Fund.....	—1,162,675	—1,066,291	—757,024
9728 Judicial Branch Workers' Compensation Fund	—	—	—1

10 SUPPORT FOR THE OPERATION OF THE TRIAL COURTS**Program Objectives Statement**

This program's objective is to provide the resources necessary for the adjudication of civil and criminal cases in the state's countywide trial court systems. This program includes all allowable trial court administrative costs under Chapter 850, Statutes of 1997, except salaries and benefits of superior court judges, compensation for assigned judges, and support for language interpreters.

Major Budget Adjustment Proposed for 2002-03

- \$8,368,000 to meet the various needs of the trial courts, including health benefit increases.

Major Budget Adjustments Proposed for 2003-04

- A programmatic increase of \$32,594,000 to address increased costs of court security, and a savings of \$22,000,000 as a result of increased flexibilities and efficiencies in the provision of court security. With these adjustments, the total cost of court security is \$300,000,000 and will be funded from a dedicated revenue source, to be deposited in the Trial Court Trust Fund. This will result in a General Fund savings of \$300,000,000.
- A decrease of \$66,200,000 General Fund related to various increased fees deposited in the Trial Court Trust Fund.
- A decrease of \$36,500,000 due to savings resulting from implementing electronic recording of court proceedings.
- A decrease of \$2,500,000 related to savings achieved by consolidating various administrative functions.
- \$14,345,000 to meet the various needs of the trial courts, including health benefit increases.
- \$19,984,000 to fund increased General Fund costs of court staff retirement.

25 SALARIES FOR SUPERIOR COURT JUDGES**Program Objectives Statement**

This program provides funding for the salaries and state benefits for Superior Court judges.

35 ASSIGNED JUDGES**Program Objectives Statement**

This program provides support for the salaries and related costs of retired as well as active judges who are assigned by the Chief Justice to positions in courts which require assistance due to caseload backlogs or other factors impacting the ability of a court to avoid case delay.

45 COURT INTERPRETERS**Program Objectives Statement**

This program supports the provision of qualified language interpreters in criminal or juvenile proceedings as required by statute.

Major Budget Adjustments for 2003-04

- \$4,500,000 to fund increased costs of interpreter services in the trial courts.
- \$3,862,000 to fund costs associated with the implementation of Chapter 1047, Statutes of 2002, the Trial Court Interpreter Labor and Employee Relations Act.

* Dollars in thousands, except in Salary Range.

0450 STATE TRIAL COURT FUNDING—Continued

PROGRAM BUDGET DETAIL

PROGRAM REQUIREMENTS

10 SUPPORT FOR OPERATION OF TRIAL COURTS

Local Assistance:	2001-02*	2002-03*	2003-04*
0001 General Fund	\$1,196,797	\$1,128,413	\$907,146
0159 Trial Court Improvement Fund.....	62,771	136,745	109,132
0556 Judicial Administration Efficiency and Modernization Fund	122	17,824	—
0932 Trial Court Trust Fund.....	532,990	663,388	988,487
9728 Judicial Branch Workers' Compensation Fund.....	—	—	-1
Totals, Local Assistance	\$1,792,680	\$1,946,370	\$2,004,764

PROGRAM REQUIREMENTS

25 SALARIES OF SUPERIOR COURT JUDGES

Local Assistance:			
0932 Trial Court Trust Fund.....	\$204,440	\$218,624	\$226,601
Totals, Local Assistance	\$204,440	\$218,624	\$226,601

PROGRAM REQUIREMENTS

35 ASSIGNED JUDGES

Local Assistance:			
0932 Trial Court Trust Fund.....	\$20,062	\$20,600	\$20,640
Totals, Local Assistance	\$20,062	\$20,600	\$20,640

PROGRAM REQUIREMENTS

45 COURT INTERPRETERS

Local Assistance:			
0932 Trial Court Trust Fund.....	\$60,500	\$59,674	\$68,036
Totals, Local Assistance	\$60,500	\$59,674	\$68,036

TOTALS, EXPENDITURES (Local Assistance)	\$2,077,682	\$2,245,268	\$2,320,041
Unallocated Reduction.....	—	-36,000	-116,000
NET TOTALS, EXPENDITURES (Local Assistance)	\$2,077,682	\$2,209,268	\$2,204,041

RECONCILIATION WITH APPROPRIATIONS

2 LOCAL ASSISTANCE

0001 General Fund

APPROPRIATIONS	2001-02*	2002-03*	2003-04*
111 Budget Act appropriation (transfer to Trial Court Trust Fund).....	\$1,135,401	\$1,079,568	\$757,024
Allocation for employee compensation	5,841	14,355	—
Adjustment per Section 4.00	-1,782	—	—
Adjustment per Mid-Year Revision Legislation	—	-36,000	—
Revised expenditure authority per Provision 11 of Item 0450-101-0932.....	23,215	—	—
Revised expenditure authority per Provision 1	—	8,368	—
112 Budget Act appropriation (transfer to Judicial Administration Efficiency and Modernization Fund)	34,122	26,122	34,122
TOTALS, EXPENDITURES	\$1,196,797	\$1,092,413	\$791,146

0159 Trial Court Improvement Fund

APPROPRIATIONS			
111 Budget Act appropriation (Transfer to General Fund).....	—	(\$43,110)	—
Government Code Section 77209(g)	\$62,771	136,745	\$109,132
TOTALS, EXPENDITURES	\$62,771	\$136,745	\$109,132

* Dollars in thousands, except in Salary Range.

0450 STATE TRIAL COURT FUNDING—Continued**0556 Judicial Administration Efficiency and
Modernization Fund**

APPROPRIATIONS	2001-02*	2002-03*	2003-04*
112 Budget Act appropriation.....	\$34,122	\$34,122	\$34,122
Prior year balances available:			
Item 0450-112-0556, Budget Act of 2000	9,974	9,824	—
Totals Available	\$44,096	\$43,946	\$34,122
Unexpended balance, estimated savings	-28	—	—
Balance available in subsequent years	-9,824	—	—
TOTALS, EXPENDITURES	\$34,244	\$43,946	\$34,122
Less funding provided by the General Fund	-34,122	-26,122	-34,122
NET TOTALS, EXPENDITURES	\$122	\$17,824	—

0932 Trial Court Trust Fund

APPROPRIATIONS			
101 Budget Act appropriation	\$2,081,310	\$2,068,677	\$2,079,512
Allocation for employee compensation	5,841	14,355	—
Adjustment per Section 4.00	-1,782	—	—
Adjustment per Mid-Year Revision Legislation	—	-36,000	—
Revised expenditure authority per Provision 11	23,215	—	—
Non-receipt of revenue	-44,000	-41,410	—
Revised expenditure authority per Government Code Section 77209 (transfer to Trial Court Improvement Fund)	-17,728	-17,811	-18,725
Revised expenditure authority per Provision 8	—	8,368	—
115 Budget Act appropriation (Transfer to the Judicial Branch Workers' Compensation Fund)	—	—	1
Prior year balances available:			
Item 0450-101-0932, Budget Act of 2000	39,901	32,398	—
Totals Available	\$2,086,757	\$2,028,577	\$2,060,788
Unexpended balance, estimated savings	-73,692	—	—
Balance available in subsequent years	-32,398	—	—
TOTALS, EXPENDITURES	\$1,980,667	\$2,028,577	\$2,060,788
Less funding provided by the General Fund	-1,162,675	-1,066,291	-757,024
NET TOTALS, EXPENDITURES	\$817,992	\$962,286	\$1,303,764

9728 Judicial Branch Workers' Compensation Fund

APPROPRIATIONS			
TOTALS, EXPENDITURES	—	—	—
Less funding provided by the Trial Court Trust Fund	—	—	-\$1
NET TOTALS, EXPENDITURES	—	—	-\$1
TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)	\$2,077,682	\$2,209,268	\$2,204,041

FUND CONDITION STATEMENT ^s**0159 Trial Court Improvement Fund**

	2001-02*	2002-03*	2003-04*
BEGINNING BALANCE.....	\$103,816	\$137,044	\$32,496
Prior year adjustments	3,462	—	—
Balance, Adjusted.....	\$107,278	\$137,044	\$32,496
REVENUES AND TRANSFERS			
Revenues:			
131700 Miscellaneous revenue from local agencies, fines and forfeitures (Government Code Section 68909.8 and 77205)	71,490	55,153	55,153
150300 Income from Surplus Money Investments Fund (SMIF)	3,319	2,758	2,758
Totals, Revenues	\$74,809	\$57,911	\$57,911
Transfers from Other Funds:			
F00932 Trial Court Trust Fund—1% reserve (Government Code Section 77209).....	17,728	17,811	18,725
Totals, Transfers from Other Funds	\$17,728	\$17,811	\$18,725

* Dollars in thousands, except in Salary Range.

0450 STATE TRIAL COURT FUNDING—Continued

	2001-02*	2002-03*	2003-04*
Transfers to Other Funds:			
T00001 General Fund (Item 0450-011-0159, Budget Act of 2002)	—	-\$43,110	—
Totals, Transfers to Other Funds	—	-\$43,110	—
Totals, Transfers	\$17,728	-\$25,299	\$18,725
Totals, Revenues and Transfers	\$92,537	\$32,612	\$76,636
Totals, Resources	\$199,815	\$169,656	\$109,132
EXPENDITURES			
Disbursements:			
0450 State Trial Court Funding (Local Assistance)	62,771	136,745	109,132
9900 Statewide General Administrative (Pro Rata)	—	415	—
Totals, Expenditures	\$62,771	\$137,160	\$109,132
FUND BALANCE	\$137,044	\$32,496	—
Reserve for economic uncertainties	137,044	32,496	—
0556 Judicial Administration Efficiency and Modernization Fund^s			
BEGINNING BALANCE	\$16,503	\$18,112	\$1,090
Prior year adjustments	—	—	—
Balance, Adjusted	\$16,503	\$18,112	\$1,090
REVENUES AND TRANSFERS			
Revenues:			
150300 Income from surplus money investments	1,717	802	802
161000 Escheat of unclaimed checks and warrants	14	—	—
Totals, Revenues and Transfers	\$1,731	\$802	\$802
Totals, Resources	\$18,234	\$18,914	\$1,892
EXPENDITURES			
Disbursements:			
0450 State Trial Court (Local Assistance)	34,244	43,946	34,122
Expenditure Reductions:			
0450 Trial Court Funding (Local Assistance):			
9900 Statewide General Administrative (Pro Rata) (State Operations)	—	—	45
Less funding provided by the General Fund	-\$34,122	-\$26,122	-\$34,122
Totals, Expenditures	\$122	\$17,824	\$45
FUND BALANCE	\$18,112	\$1,090	\$1,847
Reserve for economic uncertainties	18,112	1,090	1,847
0932 Trial Court Trust Fund^s			
BEGINNING BALANCE	\$62,565	\$87,591	\$14,270
Prior year adjustments	5,101	—	—
Balance, Adjusted	\$67,666	\$87,591	\$14,270
REVENUES AND TRANSFERS			
Revenues:			
114900 Retail sales and use taxes	—	—	299,548
131700 Miscellaneous revenue from local agencies (Government Code 77201.1(b)(1))	475,073	475,072	475,072
150300 Income from surplus money investments	3,704	3,078	3,078
161400 Miscellaneous revenue	248	42,040	71,276
164600 Fines and forfeitures (Government Code Section 77201)	222,996	222,996	222,996
164700 Court filing fees and surcharges	154,591	163,590	236,249
Court Filing Fees (Government Code Section 68085)	(154,591)	(154,590)	(154,590)
10% Surcharge (Government Code Section 68087)	—	(9,000)	(15,459)
Other Fees (Pending Legislation)	—	—	(66,200)
Totals, Revenues	\$856,612	\$906,776	\$1,308,219
Transfers to Other Funds:			
T00001 General Fund per Item 0450-101-0932, Budget Act of 2001	-\$967	—	—
T00159 Trial Court Improvement Fund per Government Code Section 77205	-\$17,728	-\$17,811	-\$18,725
Totals, Transfers	-\$18,695	-\$17,811	-\$18,725
Totals, Revenues and Transfers	\$837,917	\$888,965	\$1,289,494
Totals, Resources	\$905,583	\$976,556	\$1,303,764

* Dollars in thousands, except in Salary Range.

0450 STATE TRIAL COURT FUNDING—Continued**EXPENDITURES**

Disbursements:	2001-02*	2002-03*	2003-04*
0450 State Trial Court Funding (Local Assistance)	\$1,980,667	\$2,028,577	\$2,060,788
Expenditure Reductions:			
0450 State Trial Court Funding (Local Assistance):			
Less funding provided by the General Fund	-1,162,675	-1,066,291	-757,024
Totals, Expenditures	\$817,992	\$962,286	\$1,303,764
FUND BALANCE	\$87,591	\$14,270	—
Reserve for economic uncertainties	87,591	14,270	—

3037 State Court Facilities Construction Fund *

BEGINNING BALANCE	—	—	\$34,596
REVENUES AND TRANSFERS			
Revenues:			
164700 Court filing fees and surcharges	—	\$6,092	13,504
164800 Penalty assessments on criminal fines	—	28,504	57,454
Totals, Revenues	—	\$34,596	\$70,958
Totals, Resources	—	\$34,596	\$105,554
FUND BALANCE	—	\$34,596	\$105,554
Reserve for economic uncertainties	—	34,596	105,554

0500 GOVERNOR'S OFFICE

Article V of the Constitution vests the supreme executive power in a chief magistrate, who is called the Governor of the State of California. The Office of the Governor is maintained at Sacramento.

SUMMARY OF PROGRAM**REQUIREMENTS**

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
10.10 Governor's Office (General Fund) ..	86.0	86.0	86.0	\$5,590	\$5,927	\$5,943

SUMMARY BY OBJECT**1 STATE OPERATIONS**

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
PERSONAL SERVICES						
Authorized Positions	86.0	86.0	86.0	\$4,387	\$3,996	\$4,011
Totals, Personal Services	86.0	86.0	86.0	\$4,387	\$3,996	\$4,011
OPERATING EXPENSES AND EQUIPMENT				\$1,203	\$1,931	\$1,932
TOTALS, EXPENDITURES				\$5,590	\$5,927	\$5,943

RECONCILIATION WITH APPROPRIATIONS**1 STATE OPERATIONS****0001 General Fund**

APPROPRIATIONS	2001-02*	2002-03*	2003-04*
001 Budget Act appropriation	\$5,705	\$5,812	\$5,943
Allocation for employee compensation	14	40	—
Adjustment per Section 3.60	76	76	—
Adjustment per Section 3.90	-150	—	—
Adjustment per Section 4.00	-55	—	—
Adjustment per Section 4.20	—	-1	—
TOTALS, EXPENDITURES	\$5,590	\$5,927	\$5,943
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$5,590	\$5,927	\$5,943

For the list of standard (lettered) footnotes, see the end of the Governor's Budget.

* Dollars in thousands, except in Salary Range.

Governor's Office
0505 DEPARTMENT OF INFORMATION TECHNOLOGY

The Department of Information Technology, created by Executive Order and placed in statute by SB 1 (Chapter 508, Statutes of 1995) assumed responsibility for the strategic direction and oversight of the State's significant investment in information technology, effective January 1, 1996. Statutory authorization for the Department expired on July 1, 2002. By Executive Order, the Governor directed the Department of Finance, in consultation with the Department of General Services, to provide continuity and clarity to departments regarding statewide information technology policies and procedures.

Authority

Government Code Section 11700 et seq.

SUMMARY OF							
PROGRAM REQUIREMENTS	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*	
10 Administration of Information Technology	64.4	—	—	\$10,036	—	—	
0001 General Fund				9,462	—	—	
0995 Reimbursements				574	—	—	

SUMMARY BY OBJECT							
1 STATE OPERATIONS							
PERSONAL SERVICES	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*	
Authorized Positions (Equals Sch. 7A)	64.4	—	—	\$4,336	—	—	
Estimated Salary Savings	—	—	—	—	—	—	
Net Totals, Salaries and Wages	64.4	—	—	\$4,336	—	—	
Staff Benefits	—	—	—	967	—	—	
Totals, Personal Services	64.4	—	—	\$5,303	—	—	
OPERATING EXPENSES AND EQUIPMENT				\$4,733	—	—	
TOTALS, EXPENDITURES				\$10,036	—	—	

RECONCILIATION WITH APPROPRIATIONS

1 STATE OPERATIONS
0001 General Fund

APPROPRIATIONS	2001-02*	2002-03*	2003-04*
001 Budget Act appropriation	\$10,617	—	—
Allocation for employee compensation	19	—	—
Adjustment per Section 3.60	195	—	—
Adjustment per Section 3.90	-292	—	—
Adjustment per Section 4.00	-25	—	—
Adjustment per Section 3.20 as added by Chapter 1, Statutes of 2002, Third Extraordinary Session	-104	—	—
Totals Available	\$10,410	—	—
Unexpended balance, estimated savings	-948	—	—
TOTALS, EXPENDITURES	\$9,462	—	—
0995 Reimbursements			
APPROPRIATIONS			
Reimbursements	\$574	—	—
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$10,036	—	—

For the list of standard (lettered) footnotes, see the end of the Governor's Budget.
 * Dollars in thousands, except in Salary Range.

Governor's Office
0510 SECRETARY FOR STATE AND CONSUMER SERVICES

The State and Consumer Services Agency brings together a diverse array of State departments which include: the California Science Center, the California African American Museum, the Department of Consumer Affairs, the Department of Fair Employment and Housing, the Fair Employment and Housing Commission, the Franchise Tax Board, the Department of General Services, the State Personnel Board, the Public Employees' Retirement System, the State Teachers' Retirement System, and the Building Standards Commission. In addition, within the Agency is the Office of the Insurance Advisor which provides expertise to the Governor on insurance-related issues including legislative bill analysis, constituent services and the development of policy initiatives.

Authority

Government Code Sections 12800, 12801 and 12804.

SUMMARY OF PROGRAM

REQUIREMENTS	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
10 Administration of State and Consumer Services Agency.....	11.6	12.8	12.8	\$4,841	\$2,853	\$1,316
0001 General Fund.....				1,413	771	774
0995 Reimbursements				3,428	2,082	542

SUMMARY BY OBJECT**1 STATE OPERATIONS**

PERSONAL SERVICES	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
Authorized Positions (Equals Sch. 7A)	11.6	13.1	13.1	\$861	\$1,084	\$1,092
Estimated Salary Savings	—	-0.3	-0.3	—	-19	-19
Net Totals, Salaries and Wages	11.6	12.8	12.8	\$861	\$1,065	\$1,073
Staff Benefits	—	—	—	135	228	229
Totals, Personal Services	11.6	12.8	12.8	\$996	\$1,293	\$1,302
OPERATING EXPENSES AND EQUIPMENT				\$3,845	\$1,560	\$14
TOTALS, EXPENDITURES				\$4,841	\$2,853	\$1,316

RECONCILIATION WITH APPROPRIATIONS**1 STATE OPERATIONS****0001 General Fund**

APPROPRIATIONS	2001-02*	2002-03*	2003-04*
001 Budget Act appropriation	\$1,182	\$742	\$774
Allocation for employee compensation	2	7	—
Adjustment per Section 3.60	25	22	—
Adjustment per Section 3.90	-26	—	—
Adjustment per Section 4.60	9	—	—
Adjustment per Section 4.00	-7	—	—
Allocation for Americans with Disabilities Act (ADA) Barrier Removal	15	—	—
Adjustment per Section 3.20 as added by Chapter 1, Statutes of 2002, Third Extraordinary Session	-16	—	—
Adjustment per Section 4.20	—	—	—
Revised expenditure authority per Government Code Section 8625	600	—	—
Totals Available	\$1,784	\$771	\$774
Unexpended balance, estimated savings	-371	—	—
TOTALS, EXPENDITURES	\$1,413	\$771	\$774

0995 Reimbursements

APPROPRIATIONS			
Reimbursements	\$3,428	\$2,082	\$542
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$4,841	\$2,853	\$1,316

For the list of standard (lettered) footnotes, see the end of the Governor's Budget.

* Dollars in thousands, except in Salary Range.

Governor's Office

0520 SECRETARY FOR BUSINESS, TRANSPORTATION AND HOUSING

The strength of California's economy depends on efficient markets and sound infrastructure that encourages business and housing development. The Secretary of the Business, Transportation and Housing Agency is a member of the Governor's Cabinet and oversees fourteen departments with responsibility for maintaining the strength of California's infrastructure and the efficiencies of its financial markets.

Departments that provide financial regulation important to an efficient marketplace include: the Department of Alcoholic Beverage Control, Department of Financial Institutions, Department of Corporations, Department of Real Estate, and the Office of Real Estate Appraisers (to be consolidated with the Department of Corporations effective July 1, 2003). The Department of Housing and Community Development and the California Housing Finance Agency provide resources to foster neighborhood development.

The Department of Managed Health Care oversees managed health care in California. The Office of Patient Advocate, responsible for protecting patient rights, is an independent component of the Department.

Departments that support transportation for the safe, efficient flow of people and commerce include: the Department of the California Highway Patrol, Department of Motor Vehicles, Department of Transportation, and the Office of Traffic Safety. Effective July 1, 2003, the Office of Traffic Safety will be consolidated into the Office of the Secretary for Business, Transportation and Housing. This consolidation will allow for administrative savings (\$135,000 in 2003-04), which will be redirected from grant administration to provide increased funds for local agency grants.

In addition, the Stephen P. Teale Data Center provides state-of-the-art computer technology services to government organizations throughout the state.

SUMMARY OF PROGRAM

REQUIREMENTS	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
10 Administration of BT&H Agency	16.4	17.2	17.2	\$2,170	\$2,306	\$2,651
30 Agency Audits Office	4.1	3.8	3.8	397	412	414
40 Traffic Safety Program	—	—	32.0	—	—	84,650
TOTALS, PROGRAMS	20.5	21.0	53.0	\$2,567	\$2,718	\$87,715
0044 Motor Vehicle Account, State Transportation Fund				887	994	1,681
0890 Federal Trust Fund				—	—	84,306
0995 Reimbursements				1,680	1,724	1,728

PROGRAM BUDGET DETAIL

PROGRAM REQUIREMENTS

10 ADMINISTRATION OF BUSINESS, TRANSPORTATION AND HOUSING AGENCY

State Operations:	2001-02*	2002-03*	2003-04*
0044 Motor Vehicle Account, State Transportation Fund	\$887	\$994	\$1,337
0995 Reimbursements	1,283	1,312	1,314
Totals, State Operations	\$2,170	\$2,306	\$2,651

PROGRAM REQUIREMENTS

30 AGENCY AUDITS OFFICE

State Operations:			
0995 Reimbursements	\$397	\$412	\$414
Totals, State Operations	\$397	\$412	\$414

PROGRAM REQUIREMENTS

40 TRAFFIC SAFETY PROGRAM

State Operations:			
0044 Motor Vehicle Account, State Transportation Fund	—	—	\$344
0890 Federal Trust Fund	—	—	57,787
Totals, State Operations	—	—	\$58,131
Local Assistance:			
0890 Federal Trust Fund	—	—	26,519
Totals, Local Assistance	—	—	\$26,519
Totals, Program 40	—	—	\$84,650

TOTAL EXPENDITURES

State Operations	\$2,567	\$2,718	\$61,196
Local Assistance	—	—	26,519
TOTALS, EXPENDITURES	\$2,567	\$2,718	\$87,715

For the list of standard (lettered) footnotes, see the end of the Governor's Budget.

* Dollars in thousands, except in Salary Range.

Governor's Office

0520 SECRETARY FOR BUSINESS, TRANSPORTATION AND HOUSING—Continued

SUMMARY BY OBJECT

1 STATE OPERATIONS

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A)	20.5	22.0	22.0	\$1,445	\$1,571	\$1,594
Total Adjustments	—	—	33.0	—	—	1,717
Estimated Salary Savings	—	-1.0	-2.0	—	-68	-110
Net Totals, Salaries and Wages	20.5	21.0	53.0	\$1,445	\$1,503	\$3,201
Staff Benefits	—	—	—	248	312	817
Totals, Personal Services	20.5	21.0	53.0	\$1,693	\$1,815	\$4,018
OPERATING EXPENSES AND EQUIPMENT				\$874	\$903	\$5,065
SPECIAL ITEMS OF EXPENSE				—	—	52,113
TOTALS, EXPENDITURES				\$2,567	\$2,718	\$61,196

RECONCILIATION WITH APPROPRIATIONS

1 STATE OPERATIONS

0044 Motor Vehicle Account, State Transportation Fund

	2001-02*	2002-03*	2003-04*
APPROPRIATIONS			
001 Budget Act appropriation	\$952	\$972	\$1,681
Allocation for employee compensation	2	5	—
Adjustment per Section 3.60	26	17	—
Adjustment per Section 4.00	-7	—	—
Allocation for Department of Justice Attorney Services	1	—	—
Totals Available	\$974	\$994	\$1,681
Unexpended balance, estimated savings	-87	—	—
TOTALS, EXPENDITURES	\$887	\$994	\$1,681

0890 Federal Trust Fund

APPROPRIATIONS			
001 Budget Act appropriation	—	—	\$57,787
TOTALS, EXPENDITURES	—	—	\$57,787

0995 Reimbursements

APPROPRIATIONS			
Reimbursements	\$1,680	\$1,724	\$1,728
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$2,567	\$2,718	\$61,196

RECONCILIATION WITH APPROPRIATIONS

2 LOCAL ASSISTANCE

0890 Federal Trust Fund

	2001-02*	2002-03*	2003-04*
APPROPRIATIONS			
101 Budget Act appropriation	—	—	\$26,519
TOTALS, EXPENDITURES	—	—	\$26,519
TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)	—	—	\$26,519
TOTALS, EXPENDITURES, ALL FUNDS (State Operations and Local Assistance)	\$2,567	\$2,718	\$87,715

* Dollars in thousands, except in Salary Range.

Governor's Office

0520 SECRETARY FOR BUSINESS, TRANSPORTATION AND HOUSING—Continued

CHANGES IN AUTHORIZED POSITIONS						
	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
Totals, Authorized Positions	20.5	22.0	22.0	\$1,445	\$1,571	\$1,594
Workload and Administrative Adjustments:				Salary Range		
Transfer from the Office of Traffic Safety ..	—	—	33.0	—	—	1,717
Totals, Workload and Administrative Adjustments	—	—	33.0	—	—	\$1,717
Total Adjustments	—	—	33.0	—	—	\$1,717
TOTALS, SALARIES AND WAGES	20.5	22.0	55.0	\$1,445	\$1,571	\$3,311

Governor's Office

0530 SECRETARY FOR CALIFORNIA HEALTH AND HUMAN SERVICES AGENCY

The California Health and Human Services Agency administers the State's health, social services, and rehabilitation programs. The following departments fall under the purview of the California Health and Human Services Agency: the Departments of Aging, Alcohol and Drug Programs, Departmental Services, Health Services, Child Support Services, Mental Health, Rehabilitation, Social Services, the Health and Human Services Agency Data Center, the Office of Statewide Health Planning and Development, the Managed Risk Medical Insurance Board, the Department of Community Services and Development, and the Office of Health Insurance Portability and Accountability Act (HIPAA) Implementation. The Employment Development Department and the California Workforce Investment Board no longer fall under the purview of the Health and Human Services Agency because on July 2, 2002, pursuant to the Governor's Reorganization Plan Number 1, they were placed under the new Labor and Workforce Development Agency. Together, these departments are comprised of approximately 31,200 personnel years and manage total combined budgets of \$61 billion in State and federal funds.

Authority

Government Code, Title 2, Division 3, Part 2.5, commencing with Section 12800.

SUMMARY OF PROGRAM REQUIREMENTS						
	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
10 Secretary for Health and Human Services	22.3	21.7	21.7	\$2,676	\$2,402	\$2,381
21 Office of HIPAA Implementation	7.2	11.4	11.4	1,491	2,744	3,572
TOTALS, PROGRAMS	29.5	33.1	33.1	\$4,167	\$5,146	\$5,953
0001 General Fund				2,822	3,459	4,263
0995 Reimbursements				1,345	1,687	1,690

10 SECRETARY FOR HEALTH AND HUMAN SERVICES

Program Objectives Statement

The Secretary for California Health and Human Services Agency, a member of the Governor's Cabinet, advises the Governor on major policy and program matters and oversees the operation of the Agency's departments.

Major Budget Adjustment Proposed for 2003-04

- Other Reductions
 - \$25,000 to reflect the elimination of one EMSA Interim Director position and the addition of one Deputy Secretary position.

21 OFFICE OF HIPAA IMPLEMENTATION (OHI)

Program Objectives Statement

The Office of HIPAA Implementation (OHI) has statewide responsibility for the implementation of the federal Health Insurance Portability and Accountability Act (HIPAA). The portion of HIPAA dealing with administrative simplification requires all billing and other electronic data transmissions to be standardized, as well as establishing new standards for the confidentiality and security of this information. The OHI was established to direct and monitor this process, which will involve many departments throughout State government. The OHI provides a central focus for HIPAA implementation, as well as ensuring consistency among departments, and that systems that exchange data can continue to do so. OHI works at a national level to represent the State of California as well as counties, providers, payers, and other health interests.

Major Budget Adjustment Proposed for 2002-03

- Reduction Issues in the December Revision
 - \$823,000 (General Fund) for the Office of HIPAA Implementation.

For the list of standard (lettered) footnotes, see the end of the Governor's Budget.

* Dollars in thousands, except in Salary Range.

Governor's Office

0530 SECRETARY FOR CALIFORNIA HEALTH AND HUMAN SERVICES AGENCY—Continued

SUMMARY BY OBJECT

1 STATE OPERATIONS

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A)	29.5	35.0	35.0	\$2,183	\$2,635	\$2,665
Total Adjustments	—	—	—	—	—	—25
Estimated Salary Savings	—	-1.9	-1.9	—	-132	-133
Net Totals, Salaries and Wages	29.5	33.1	33.1	\$2,183	\$2,503	\$2,507
Staff Benefits	—	—	—	380	554	534
Totals, Personal Services	29.5	33.1	33.1	\$2,563	\$3,057	\$3,041
OPERATING EXPENSES AND EQUIPMENT				\$1,604	\$2,089	\$2,912
TOTALS, EXPENDITURES				\$4,167	\$5,146	\$5,953

RECONCILIATION WITH APPROPRIATIONS

1 STATE OPERATIONS

0001 General Fund

	2001-02*	2002-03*	2003-04*
APPROPRIATIONS			
001 Budget Act appropriation	\$1,584	\$1,173	\$1,292
Allocation for employee compensation	6	8	—
Adjustment per Section 3.60	68	34	—
Adjustment per Section 4.60	20	—	—
Adjustment per Section 4.00	-14	—	—
Allocation for Americans with Disabilities Act (ADA) Barrier Removal	14	—	—
Adjustment per Section 3.20 as added by Chapter 1, Statutes of 2002, Third Extraordinary Session	-160	—	—
Adjustment per Mid-Year Revision Legislation	-8	—	—
Allocation from Item 9909-001-0001 (HIPAA)	1,576	—	—
017 Budget Act appropriation	—	2,045	2,971
Allocation for employee compensation	—	8	—
Adjustment per Section 3.60	—	19	—
Adjustment per Mid-Year Revision Legislation	—	-823	—
Allocation from Item 9909-017-0001 (HIPAA)	—	895	—
Chapter 678, Statutes of 2001	100	—	—
Prior year balances available:			
Chapter 678, Statutes of 2001	—	100	—
Totals Available	\$3,186	\$3,459	\$4,263
Unexpended balance, estimated savings	-264	—	—
Balance available in subsequent years	-100	—	—
TOTALS, EXPENDITURES	\$2,822	\$3,459	\$4,263

0995 Reimbursements

APPROPRIATIONS			
Reimbursements	\$1,345	\$1,687	\$1,690
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$4,167	\$5,146	\$5,953

CHANGES IN

AUTHORIZED POSITIONS

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
Totals, Authorized Positions	29.5	35.0	35.0	\$2,183	\$2,635	\$2,665
Workload and Administrative Adjustments:						
Reductions in Authorized Positions:						
EMSA Interim Director	—	—	-1.0	Salary Range 8,379-9,062	—	-101
Totals, Workload and Administrative Adjustments	—	—	-1.0	—	—	-\$101

* Dollars in thousands, except in Salary Range.

Governor's Office

0530 SECRETARY FOR CALIFORNIA HEALTH AND HUMAN SERVICES AGENCY—Continued

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
Proposed New Positions:				Salary Range		
Dep Secty	—	—	1.0	\$6,100–6,600	—	\$76
Totals, Proposed New Positions	—	—	1.0	—	—	\$76
Total Adjustments.....	—	—	—	—	—	–\$25
TOTALS, SALARIES AND WAGES	29.5	35.0	35.0	\$2,183	\$2,635	\$2,640

Governor's Office

0540 SECRETARY FOR RESOURCES

The Resources Agency, through its various departments, boards, commissions, and conservancies, administers programs that conserve, preserve, restore and enhance the rich and diverse natural resources of California. The Secretary for Resources, a member of the Governor's Cabinet, is responsible for administering programs and policies governing the acquisition, development and use of the State's resources to attain these objectives.

The Resources Agency consists of the Departments of Forestry and Fire Protection, Conservation, Fish and Game, Boating and Waterways, Parks and Recreation, and Water Resources; the State Lands Commission; the Colorado River Board; the San Francisco Bay Conservation and Development Commission; the State Reclamation Board; the Energy Resources Conservation and Development Commission; the Wildlife Conservation Board; the Delta Protection Commission; the California Conservation Corps; the California Coastal Commission; the State Coastal Conservancy; the California Tahoe Conservancy; the Santa Monica Mountains Conservancy; the Coachella Valley Mountains Conservancy; the San Joaquin River Conservancy; San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy; Baldwin Hills Conservancy; the California Bay Delta Authority; and the Special Resources Program.

The Secretary for Resources is a voting member of the State Coastal Conservancy, the California Tahoe Conservancy, the Santa Monica Mountains Conservancy, the Coachella Valley Mountains Conservancy, the San Joaquin River Conservancy, San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, Baldwin Hills Conservancy, and the San Francisco Bay Conservation and Development Commission. The secretary is also an ex-officio, non-voting, member of the Energy Resources Conservation and Development Commission and the California Coastal Commission. Along with the United States Secretary of Interior, the secretary co-leads the CALFED Bay Delta Program. In addition, the secretary administers the Sea Grant Program, the Open Space Subvention Program, the California Environmental Quality Act, the San Joaquin River Management Program, and the Environmental Enhancement and Mitigation Demonstration Program.

Major Budget Adjustments Proposed for 2002-03

- Reduction Issues in the December Revision
 - \$65,000 General Fund for various general expenses.
- Other Reductions
 - \$152,000 (\$78,000 General Fund and \$74,000 special funds) and 3.0 positions pursuant to Control Section 31.60, Budget Act of 2002.
 - \$5,074,000 Bay-Delta Ecosystem Restoration Account transfer to the Bay Delta Authority pursuant to Chapter 812, Statutes of 2002.

Major Budget Adjustments Proposed for 2003-04

- Reduction Issues in the December Revision
 - \$79,000 General Fund for various general expenses.
- Other Reductions
 - \$39,000 General Fund and 1.0 position for elimination of Executive Secretary position.
 - \$32,417,000 Proposition 50 and 2.0 positions for the River Parkway and Sierra Nevada Cascade Programs.
 - \$12,508,000 Proposition 40 for the River Parkway and Urban Streams Programs.
 - \$2,336,000 Proposition 50 and 5.3 positions for statewide bond costs.
 - \$290,000 Proposition 40 and 2.0 positions for Cultural and Historical Grant Programs.
 - \$105,000 Proposition 12 and 1.0 position to extend a limited-term position to address ongoing workload.

Authority

Government Code Sections 12800, 12801 and 12805.

SUMMARY OF PROGRAM

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
REQUIREMENTS						
10 Administration of Resources Agency...	30.0	36.7	44.6	\$17,098	\$440,519	\$54,285
TOTALS, PROGRAMS.....	30.0	36.7	44.6	\$17,098	\$440,519	\$54,285
0001 General Fund.....				8,856	7,586	1,348
0005 Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund.....				4,329	35,931	200
0140 California Environmental License Plate Fund.....				863	2,546	2,507
0183 Environmental Enhancement and Mitigation Demonstration Program Fund.....				123	89	90
0546 Bay-Delta Ecosystem Restoration Account				—	316,895	—

For the list of standard (lettered) footnotes, see the end of the Governor's Budget.

* Dollars in thousands, except in Salary Range.

Governor's Office
0540 SECRETARY FOR RESOURCES—Continued

	2001-02*	2002-03*	2003-04*
0890 Federal Trust Fund	\$173	\$10,014	\$255
0995 Reimbursements	714	514	514
6015 River Protection Subaccount	2,040	9,426	16
6029 California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund	—	57,518	14,602
6031 Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002	—	—	34,753

SUMMARY BY OBJECT
1 STATE OPERATIONS

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A)	30.0	40.8	39.8	\$2,119	\$2,640	\$2,611
Total Adjustments	—	-3.0	6.3	—	-128	432
Estimated Salary Savings	—	-1.1	-1.5	—	-119	-303
Net Totals, Salaries and Wages	30.0	36.7	44.6	\$2,119	\$2,393	\$2,740
Staff Benefits	—	—	—	420	684	800
Totals, Personal Services	30.0	36.7	44.6	\$2,539	\$3,077	\$3,540
OPERATING EXPENSES AND EQUIPMENT				\$2,951	\$18,084	\$10,895
SPECIAL ITEMS OF EXPENSE						
Bay-Delta Ecosystem Restoration Projects				—	316,895	—
TOTALS, EXPENDITURES				\$5,490	\$338,056	\$14,435

RECONCILIATION WITH APPROPRIATIONS
1 STATE OPERATIONS
0001 General Fund

	2001-02*	2002-03*	2003-04*
APPROPRIATIONS			
001 Budget Act appropriation	\$4,033	\$1,481	\$1,348
Allocation for employee compensation	5	12	—
Adjustment per Section 3.60	53	46	—
Adjustment per Section 3.90	-355	—	—
Adjustment per Section 4.60	13	—	—
Adjustment per Section 4.00	-14	—	—
Allocation for Americans with Disabilities Act (ADA) Barrier Removal	17	—	—
Adjustment per Section 3.20 as added by Chapter 1, Statutes of 2002, Third Extraordinary Session	-309	—	—
Adjustment per Section 31.60	—	-78	—
Adjustment per Mid-Year Revision Legislation	—	-65	—
Prior year balances available:			
Item 0540-001-0001, Budget Act of 2001	3,190	3,190	—
Totals Available	\$6,633	\$4,586	\$1,348
Unexpended balance, estimated savings	-4	—	—
Balance available in subsequent years	-3,190	—	—
TOTALS, EXPENDITURES	\$3,439	\$4,586	\$1,348

**0005 Safe Neighborhood Parks, Clean Water, Clean Air, and
Coastal Protection Bond Fund**

APPROPRIATIONS			
001 Budget Act appropriation	\$180	\$2,071	\$200
Allocation for employee compensation	—	2	—
Adjustment per Section 3.60	5	5	—
Adjustment per Section 4.00	-1	—	—
Totals Available	\$184	\$2,078	\$200
Unexpended balance, estimated savings	-6	—	—
TOTALS, EXPENDITURES	\$178	\$2,078	\$200

* Dollars in thousands, except in Salary Range.

Governor's Office
0540 SECRETARY FOR RESOURCES—Continued

0140 California Environmental License Plate Fund

	2001-02*	2002-03*	2003-04*
APPROPRIATIONS			
001 Budget Act appropriation	\$853	\$2,560	\$2,507
Allocation for employee compensation	2	8	—
Adjustment per Section 3.60	10	14	—
Adjustment per Section 4.00	-1	—	—
Adjustment per Section 31.60	—	-36	—
Totals Available	\$864	\$2,546	\$2,507
Unexpended balance, estimated savings	-1	—	—
TOTALS, EXPENDITURES	\$863	\$2,546	\$2,507

**0183 Environmental Enhancement and Mitigation
Demonstration Program Fund**

APPROPRIATIONS			
001 Budget Act appropriation	\$121	\$124	\$90
Allocation for employee compensation	—	—	—
Adjustment per Section 3.60	4	3	—
Adjustment per Section 4.00	-1	—	—
Adjustment per Section 31.60	—	-38	—
Totals Available	\$124	\$89	\$90
Unexpended balance, estimated savings	-1	—	—
TOTALS, EXPENDITURES	\$123	\$89	\$90

0546 Bay-Delta Ecosystem Restoration Account

APPROPRIATIONS			
001 Budget Act appropriation	\$168,436	\$153,533	—
Adjustment per Chapter 812, Statutes of 2002, transferred to California Bay-Delta Authority	—	-5,074	—
Prior year balances available:			
Item 0540-001-0546, Budget Act of 2001	—	168,436	—
Totals Available	\$168,436	\$316,895	—
Balance available in subsequent years	-168,436	—	—
TOTALS, EXPENDITURES	—	\$316,895	—

0890 Federal Trust Fund

APPROPRIATIONS			
001 Budget Act appropriation	\$153	\$10,014	\$255
Budget Adjustment	20	—	—
TOTALS, EXPENDITURES	\$173	\$10,014	\$255

0995 Reimbursements

APPROPRIATIONS			
Reimbursements	\$714	\$514	\$514

6015 River Protection Subaccount

APPROPRIATIONS			
001 Budget Act appropriation	—	\$16	\$16
TOTALS, EXPENDITURES	—	\$16	\$16

**6029 California Clean Water, Clean Air, Safe Neighborhood Parks,
and Coastal Protection Fund**

APPROPRIATIONS			
001 Budget Act appropriation	—	\$1,303	\$6,752
Allocation for employee compensation	—	7	—
Adjustment per Section 3.60	—	8	—
TOTALS, EXPENDITURES	—	\$1,318	\$6,752

* Dollars in thousands, except in Salary Range.

Governor's Office
0540 SECRETARY FOR RESOURCES—Continued

**6031 Water Security, Clean Drinking Water, Coastal and
 Beach Protection Fund of 2002**

	2001-02*	2002-03*	2003-04*
APPROPRIATIONS			
001 Budget Act appropriation	—	—	\$2,753
TOTALS, EXPENDITURES	—	—	\$2,753
TOTALS, EXPENDITURES, ALL FUNDS (State Operations).....	\$5,490	\$338,056	\$14,435

SUMMARY BY OBJECT
2 LOCAL ASSISTANCE

	2001-02*	2002-03*	2003-04*
Grants and subventions	\$11,608	\$102,463	\$39,850

RECONCILIATION WITH APPROPRIATIONS
2 LOCAL ASSISTANCE
0001 General Fund

	2001-02*	2002-03*	2003-04*
APPROPRIATIONS			
101 Budget Act appropriation	\$18,147	—	—
Adjustment per Chapter 1, Statutes of 2002, Third Extraordinary Session.....	—11,000	—	—
Prior year balances available:			
Item 0540-101-0001, Budget Act of 2001	—	\$3,000	—
Item 0540-103-0001, Budget Act of 1999, reappropriated by Chapter 672, Statutes of 2000 and Chapter 932, Statutes of 2001	1,270	—	—
Totals Available	\$8,417	\$3,000	—
Balance available in subsequent years	—3,000	—	—
TOTALS, EXPENDITURES	\$5,417	\$3,000	—

**0005 Safe Neighborhood Parks, Clean Water, Clean Air, and
 Coastal Protection Bond Fund**

APPROPRIATIONS			
Prior year balances available:			
Item 0540-101-0005, Budget Act of 2000, as reappropriated by Item 0540-490, Budget Act of 2002	\$38,004	\$33,853	—
Totals Available	\$38,004	\$33,853	—
Balance available in subsequent years	—33,853	—	—
TOTALS, EXPENDITURES	\$4,151	\$33,853	—

6015 River Protection Subaccount

APPROPRIATIONS			
101 Budget Act appropriation	\$3,400	\$8,050	—
Prior year balances available:			
Item 0540-101-6015, Budget Act of 2001, reappropriated by Item 0540-491, Budget Act of 2002	—	1,360	—
Totals Available	\$3,400	\$9,410	—
Balance available in subsequent years	—1,360	—	—
TOTALS, EXPENDITURES	\$2,040	\$9,410	—

**6029 California Clean Water, Clean Air, Safe Neighborhood Parks,
 and Coastal Protection Fund**

APPROPRIATIONS			
101 Budget Act appropriation	—	\$56,200	\$7,850
TOTALS, EXPENDITURES	—	\$56,200	\$7,850

* Dollars in thousands, except in Salary Range.

Governor's Office
0540 SECRETARY FOR RESOURCES—Continued

**6031 Water Security, Clean Drinking Water, Coastal and
 Beach Protection Fund of 2002**

APPROPRIATIONS	2001-02*	2002-03*	2003-04*
101 Budget Act appropriation	—	—	\$32,000
TOTALS, EXPENDITURES	—	—	\$32,000
TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)	\$11,608	\$102,463	\$39,850
TOTALS, EXPENDITURES, ALL FUNDS (State Operations and Local Assistance)	\$17,098	\$440,519	\$54,285

**CHANGES IN
 AUTHORIZED POSITIONS**

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
Totals, Authorized Positions	30.0	40.8	39.8	\$2,119	\$2,640	\$2,611
Workload and Administrative Adjustments:						
Reductions in Authorized Positions:						
Administration of Resources Agency:				Salary Range		
Exec Secty I.....	—	—	-1.0	2,688-3,268	—	-32
Adjustment per Control Section 31.60:						
Administration of Resources Agency:						
Staff Svcs Mgr II-Mgrl.....	—	-1.0	-1.0	5,493-6,058	-66	-66
Jr Staff Analyst-Gen.....	—	-1.0	-1.0	2,507-3,300	-30	-30
Exec Secty I.....	—	-1.0	-1.0	2,688-3,268	-32	-32
Totals, Workload and Administrative						
Adjustments	—	-3.0	-4.0	—	-\$128	-\$160
Proposed New Positions:						
Staff Counsel III	—	—	0.3	6,573-8,111	—	22
C.E.A. I	—	—	2.0	5,493-6,975	—	145
Assoc Park and Recr Spec	—	—	3.0	4,516-5,489	—	174
Assoc Info Sys Analyst.....	—	—	3.0	4,110-4,997	—	163
Assoc Budget Analyst	—	—	1.0	3,915-4,759	—	52
Exec Secty	—	—	1.0	2,688-3,268	—	36
Totals, Proposed New Positions	—	—	10.3	—	—	\$592
Total Adjustments.....	—	-3.0	6.3	—	-\$128	\$432
TOTALS, SALARIES AND WAGES	30.0	37.8	46.1	\$2,119	\$2,512	\$3,043

Governor's Office
0550 SECRETARY FOR YOUTH AND ADULT CORRECTIONAL AGENCY

The Youth and Adult Correctional Agency includes the Department of Corrections, Department of the Youth Authority, Board of Prison Terms, Youthful Offender Parole Board, Board of Corrections, the Narcotic Addict Evaluation Authority and the Commission on Correctional Peace Officers' Standards and Training. The Agency provides communication, coordination, and budget and policy direction for the departments and boards.

Major Budget Adjustment Proposed for 2002-03

- Reduction Issues in the December Revision
 - \$7,000 General Fund to reflect a reduction to the operating expenses and equipment budget.

Major Budget Adjustments Proposed for 2003-04

- Reduction Issues in the December Revision
 - \$4,000 General Fund to reflect a reduction to the operating expenses and equipment budget.
- Other Reductions
 - \$58,000 General Fund and 1.0 position (0.9 personnel years) associated with the elimination of an Executive Assistant position.
 - \$1,000 General Fund to reflect a reduction to the out-of-state travel budget.

Authority

Government Code Section 12811.

For the list of standard (lettered) footnotes, see the end of the Governor's Budget.

* Dollars in thousands, except in Salary Range.

Governor's Office

0550 SECRETARY FOR YOUTH AND ADULT CORRECTIONAL AGENCY—Continued

SUMMARY OF PROGRAM
REQUIREMENTS

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
10 Secretary for the Youth and Adult Correctional Agency	11.4	11.2	10.2	\$1,222	\$1,249	\$1,196
TOTALS, PROGRAMS	11.4	11.2	10.2	\$1,222	\$1,249	\$1,196
0001 General Fund				964	991	938
0995 Reimbursements				258	258	258

SUMMARY BY OBJECT
1 STATE OPERATIONS

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A)	11.4	11.3	11.3	\$870	\$885	\$886
Total Adjustments	—	—	-1.0	—	-1	-59
Estimated Salary Savings	—	-0.1	-0.1	—	-9	-9
Net Totals, Salaries and Wages	11.4	11.2	10.2	\$870	\$875	\$818
Staff Benefits	—	—	—	111	142	146
Totals, Personal Services	11.4	11.2	10.2	\$981	\$1,017	\$964
OPERATING EXPENSES AND EQUIPMENT				\$241	\$232	\$232
TOTALS, EXPENDITURES				\$1,222	\$1,249	\$1,196

RECONCILIATION WITH APPROPRIATIONS

1 STATE OPERATIONS

0001 General Fund

	2001-02*	2002-03*	2003-04*
APPROPRIATIONS			
001 Budget Act appropriation	\$1,027	\$969	\$938
Allocation for employee compensation	2	7	—
Adjustment per Section 3.60	3	22	—
Adjustment per Section 3.90	-1	—	—
Adjustment per Section 4.00	-9	—	—
Adjustment per Section 3.20 as added by Chapter 1, Statutes of 2002, Third Extraordinary Session	-41	—	—
Adjustment per Mid-Year Revision Legislation	—	-7	—
Totals Available	\$981	\$991	\$938
Unexpended balance, estimated savings	-17	—	—
TOTALS, EXPENDITURES	\$964	\$991	\$938

0995 Reimbursements

APPROPRIATIONS			
Reimbursements	\$258	\$258	\$258
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$1,222	\$1,249	\$1,196

CHANGES IN
AUTHORIZED POSITIONS

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
Totals, Authorized Positions	11.4	11.3	11.3	\$870	\$885	\$886
Salary adjustments	—	—	—	—	1	1
Totals, Adjusted Authorized Positions	11.4	11.3	11.3	\$870	\$886	\$887

* Dollars in thousands, except in Salary Range.

Governor's Office

0550 SECRETARY FOR YOUTH AND ADULT CORRECTIONAL AGENCY—Continued

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
Adjustment per Mid-Year Reductions:				Salary Range		
Temporary Help	—	—	—	—	-\$2	-\$2
Exec Asst	—	—	-1.0	—	—	-58
Totals, Reductions in Authorized Positions	—	—	-1.0	—	-\$2	-\$60
Total Adjustments	—	—	-1.0	—	-\$1	-\$59
TOTALS, SALARIES AND WAGES	11.4	11.3	10.3	\$870	\$884	\$827

0552 OFFICE OF THE INSPECTOR GENERAL

The Office of the Inspector General has the responsibility for oversight of the State's correctional system through audits and investigations of the boards and departments within the Youth and Adult Correctional Agency. Chapter 766, Statutes of 1994 created the Office of the Inspector General within the Youth and Adult Correctional Agency. However, Chapter 969, Statutes of 1998 changed and expanded the role of the Inspector General and re-established the office as an independent entity reporting directly to the Governor. The role of the Office of the Inspector General has been further expanded by the following legislation: Chapter 338, Statutes of 1998 required reviews of specified Internal Affairs investigations of the boards and departments within the Youth and Adult Correctional Agency; Chapter 806, Statutes of 1999 required investigations of complaints of retaliation against those reporting misconduct on the part of correctional agencies; and Chapter 918, Statutes of 1999, expanded the authority to conduct audits and investigations and required baseline audits following the confirmation of a new warden or the appointment of a superintendent.

Major Budget Adjustment Proposed for 2002-03

- Reduction Issues in the December Revision
 - \$695,000 General Fund and 7.5 positions (7.2 personnel years) to reflect reductions related to vacant positions and to the out-of-state travel budget.

Major Budget Adjustments Proposed for 2003-04

- Reduction Issue in the December Revision
 - \$10,000 General Fund to reflect a reduction to the out-of-state travel budget.
- Other Reductions
 - \$1,797,000 General Fund and 19.0 positions (18.0 personnel years) to reflect reductions in the number of audits and investigations to be performed as well as reductions to administrative staff.

Authority

Penal Code, Part III, Title 7, Chapter 8.2, Sections 6125 to 6129.

SUMMARY OF PROGRAM

REQUIREMENTS	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
10 Office of the Inspector General	97.3	81.2	70.3	\$10,906	\$8,781	\$7,700
TOTALS, PROGRAMS	97.3	81.2	70.3	\$10,906	\$8,781	\$7,700
0001 General Fund				10,799	8,781	7,700
0995 Reimbursements				107	—	—

SUMMARY BY OBJECT

1 STATE OPERATIONS

PERSONAL SERVICES	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
Authorized Positions (Equals Sch. 7A)	97.3	93.0	93.0	\$6,635	\$6,392	\$6,439
Total Adjustments	—	-7.5	-19.0	—	-462	-1,158
Estimated Salary Savings	—	-4.3	-3.7	—	-297	-264
Net Totals, Salaries and Wages	97.3	81.2	70.3	\$6,635	\$5,633	\$5,017
Staff Benefits	—	—	—	1,191	1,303	1,193
Totals, Personal Services	97.3	81.2	70.3	\$7,826	\$6,936	\$6,210
OPERATING EXPENSES AND EQUIPMENT				\$3,080	\$1,845	\$1,490
TOTALS, EXPENDITURES				\$10,906	\$8,781	\$7,700

For the list of standard (lettered) footnotes, see the end of the Governor's Budget.

* Dollars in thousands, except in Salary Range.

0552 OFFICE OF THE INSPECTOR GENERAL—Continued**RECONCILIATION WITH APPROPRIATIONS****1 STATE OPERATIONS****0001 General Fund**

APPROPRIATIONS	2001-02*	2002-03*	2003-04*
001 Budget Act appropriation	\$11,140	\$8,985	\$7,700
Allocation for employee compensation	190	274	—
Adjustment per Section 3.60	288	218	—
Adjustment per Section 3.90	-292	—	—
Adjustment per Section 4.00	-74	—	—
Adjustment per Section 3.20 as added by Chapter 1, Statutes of 2002, Third Extraordinary Session	-396	—	—
Adjustment per Chapter 1, Statutes of 2002, Third Extraordinary Session	-55	—	—
Adjustment per Section 4.20	—	-1	—
Adjustment per Mid-Year Revision Legislation	—	-695	—
Totals Available	\$10,801	\$8,781	\$7,700
Unexpended balance, estimated savings	-2	—	—
TOTALS, EXPENDITURES	\$10,799	\$8,781	\$7,700

0995 Reimbursements

APPROPRIATIONS			
Reimbursements	\$107	—	—
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$10,906	\$8,781	\$7,700

CHANGES IN**AUTHORIZED POSITIONS**

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
Totals, Authorized Positions	97.3	93.0	93.0	\$6,635	\$6,392	\$6,439
Salary adjustments	—	—	—	—	2	2
Totals, Adjusted Authorized Positions	97.3	93.0	93.0	\$6,635	\$6,394	\$6,441
Workload and Administrative Adjustments:						
Adjustment per Mid-Year Revision:				Salary Range		
Dep Insp Gen-In Charge	—	-0.6	-1.0	6,621-7,300	-49	-84
Sr Dep Insp Gen	—	-1.9	-3.0	5,582-6,749	-142	-222
Dep Insp Gen	—	-3.2	-6.0	4,446-6,290	-214	-394
Staff Svcs Mgr II-Mgr I	—	—	-1.0	5,493-6,058	—	-69
Staff Svcs Mgr I	—	—	-1.0	4,520-5,453	—	-60
Assoc Dep Insp Gen	—	—	-3.0	3,422-4,964	—	-163
Assoc Pers Analyst	—	—	-2.0	3,915-4,759	—	-104
Staff Svcs Analyst	—	-0.5	—	2,507-3,957	-19	—
Ofc Techn-Typing	—	-1.3	-2.0	2,390-2,905	-40	-64
Totals, Workload and Administrative Adjustments	—	-7.5	-19.0	—	-\$464	-\$1,160
Total Adjustments	—	-7.5	-19.0	—	-\$462	-\$1,158
TOTALS, SALARIES AND WAGES	97.3	85.5	74.0	\$6,635	\$5,930	\$5,281

0553 OFFICE OF THE INSPECTOR GENERAL FOR VETERANS AFFAIRS

Chapter 894, Statutes of 1999 created the Office of the Inspector General for Veterans Affairs. The Inspector General for Veterans Affairs has responsibility for reviewing the operations and financial conditions of State Veterans Homes, the State Farm and Home Purchase Program, State Veterans Services, and all other veterans programs supported by the State, including County Veterans Service Offices and Veterans Memorial Districts. The Inspector General also is required to operate a toll-free complaint hotline for veterans, conduct audits and investigations of State veterans programs, and to make recommendations for improving the operations of veterans programs.

Major Budget Adjustment Proposed for 2002-03

- Reduction Issues in the December Revision
 - \$25,000 General Fund reduction in temporary help and operating expenses.

For the list of standard (lettered) footnotes, see the end of the Governor's Budget.

* Dollars in thousands, except in Salary Range.

0553 OFFICE OF THE INSPECTOR GENERAL FOR VETERANS AFFAIRS—Continued**Major Budget Adjustment Proposed for 2003–04**

- Issues in the December Revision
- \$91,000 General Fund reduction in temporary help and operating expenses.

Authority

Military-Veterans Code, Division 1, Chapter 2, Sections 73.5, 73.6, and 73.7.

SUMMARY OF PROGRAM**REQUIREMENTS**

	<i>01–02</i>	<i>02–03</i>	<i>03–04</i>	<i>2001–02*</i>	<i>2002–03*</i>	<i>2003–04*</i>
10 Office of the Inspector General for Veterans Affairs	4.5	3.8	3.8	\$472	\$514	\$457
0001 General Fund.....				401	423	358
0592 Veterans' Farm and Home Building Fund of 1943				71	91	99

SUMMARY BY OBJECT**1 STATE OPERATIONS**

	<i>01–02</i>	<i>02–03</i>	<i>03–04</i>	<i>2001–02*</i>	<i>2002–03*</i>	<i>2003–04*</i>
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A)	4.5	4.0	4.0	\$300	\$329	\$333
Total Adjustments	–	–	–	–	–22	–88
Estimated Salary Savings	–	–0.2	–0.2	–	–15	–12
Net Totals, Salaries and Wages	4.5	3.8	3.8	\$300	\$292	\$233
Staff Benefits	–	–	–	45	58	60
Totals, Personal Services	4.5	3.8	3.8	\$345	\$350	\$293
OPERATING EXPENSES AND EQUIPMENT				\$127	\$164	\$164
TOTALS, EXPENDITURES				\$472	\$514	\$457

RECONCILIATION WITH APPROPRIATIONS**1 STATE OPERATIONS****0001 General Fund**

	<i>2001–02*</i>	<i>2002–03*</i>	<i>2003–04*</i>
APPROPRIATIONS			
001 Budget Act appropriation	\$475	\$441	\$358
Allocation for employee compensation	1	2	–
Adjustment per Section 3.60	9	5	–
Adjustment per Section 3.90	–12	–	–
Adjustment per Section 4.00	–2	–	–
Adjustment per Section 3.20 as added by Chapter I, Statutes of 2002, Third Extraordinary Session	–20	–	–
Adjustment per Mid-Year Revision Legislation	–	–25	–
Totals Available	\$451	\$423	\$358
Unexpended balance, estimated savings	–50	–	–
TOTALS, EXPENDITURES	\$401	\$423	\$358

0592 Veterans' Farm and Home Building Fund of 1943

APPROPRIATIONS			
001 Budget Act appropriation	\$83	\$90	\$99
Adjustment per Section 3.60	2	1	–
Totals Available	\$85	\$91	\$99
Unexpended balance, estimated savings	–14	–	–
TOTALS, EXPENDITURES	\$71	\$91	\$99
TOTALS, EXPENDITURES, ALL FUNDS (State Operations).....	\$472	\$514	\$457

* Dollars in thousands, except in Salary Range.

0553 OFFICE OF THE INSPECTOR GENERAL FOR VETERANS AFFAIRS—Continued

CHANGES IN AUTHORIZED POSITIONS							
	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*	
Totals, Authorized Positions	4.5	4.0	4.0	\$300	\$329	\$333	
Adjustment per Mid-Year Revision:				Salary Range			
Temporary Help	—	—	—	—	—22	—88	
Totals	—	—	—	—	—\$22	—\$88	
Total Adjustments	—	—	—	—	—\$22	—\$88	
TOTALS, SALARIES AND WAGES	4.5	4.0	4.0	\$300	\$307	\$245	

Governor's Office
0555 SECRETARY FOR ENVIRONMENTAL PROTECTION

The Secretary for Environmental Protection (CalEPA), a member of the Governor's Cabinet, manages the State's environmental protection programs. The Secretary oversees the operations of the following organizations: Air Resources Board, California Integrated Waste Management Board, Department of Pesticide Regulation, State Water Resources Control Board, Department of Toxic Substances Control, and Office of Environmental Health Hazard Assessment. In addition, the Secretary administers the following special environmental programs: Permit Assistance Centers, Scientific Peer Review, Circuit Prosecutor Project, and Environmental Enforcement.

SUMMARY OF PROGRAM REQUIREMENTS							
	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*	
10 Environmental Protection Programs	35.3	33.8	33.8	\$5,953	\$5,198	\$5,518	
20 Special Environmental Programs	27.9	8.7	4.7	3,548	2,035	3,758	
TOTALS, PROGRAMS	63.2	42.5	38.5	\$9,501	\$7,233	\$9,276	
0001 General Fund				3,235	2,532	2,279	
0014 Hazardous Waste Control Account				334	355	341	
0028 Unified Program Account				650	816	965	
0044 Motor Vehicle Account, State Transportation Fund				549	631	575	
0100 California Used Oil Recycling Fund				29	32	29	
0106 Department of Pesticide Regulation Fund				206	219	210	
0281 Recycling Market Development Revolving Loan Account				151	161	155	
0387 Integrated Waste Management Account				430	469	436	
0439 Underground Storage Tank Cleanup Fund				54	57	55	
0679 State Water Quality Control Fund				134	134	151	
0995 Reimbursements				3,729	1,827	2,080	
1006 Rural CUPA Reimbursement Account				620	900	900	
Less funding provided by the General Fund				—620	—900	—900	
8013 Environmental Enforcement and Training Account				—	—	2,000	

10 ENVIRONMENTAL PROTECTION PROGRAMS**Program Objectives Statement**

The primary objective of Environmental Protection Programs is to improve environmental quality and protect public health and California's natural resources through the coordination of State environmental programs, thereby reducing administrative duplication and addressing the greatest environmental and health risks.

Major Budget Adjustment Proposed for 2002-03

- Other Reduction
 - \$33,000 Unified Program Account and 1.0 position for Environmental Protection Programs pursuant to Control Section 31.60.

Major Budget Adjustment Proposed for 2003-04

- \$250,000 reimbursements to implement the Environmental Justice Small Grants Program pursuant to Chapter 994, Statutes of 2002 (AB 2312).

Authority

Governor's Reorganization Plan No. 1 of 1991 and Health and Safety Code, Division 37.

20 SPECIAL ENVIRONMENTAL PROGRAMS**Program Objectives Statement**

Special Environmental Programs include Permit Assistance Centers, Scientific Peer Review, the Circuit Prosecutor Project, and Environmental Enforcement.

For the list of standard (lettered) footnotes, see the end of the Governor's Budget.

* Dollars in thousands, except in Salary Range.

Governor's Office
0555 SECRETARY FOR ENVIRONMENTAL PROTECTION—Continued

Permit Assistance Centers assist individuals and businesses—both in person and by telephone—with their permitting needs. Two Centers, one in Northern California and one in Southern California, provide a single point of contact to: (1) guide individuals and businesses through complex regulatory systems, (2) eliminate regulatory overlap, and (3) promote government coordination. Employees of cities, counties, regional governments and the State work together in shared facilities to better coordinate services to the public. In addition to the two Centers, an Internet site (CalGold) provides greater convenience to those seeking permit assistance.

Chapter 295, Statutes of 1997, requires CalEPA to conduct an external peer review of the scientific basis for any rule or regulation proposed by a board, department or office within CalEPA. The external scientific body may be the National Academy of Sciences, the University of California, the California State University, or similar scientific institutions of higher learning, or a combination of those entities, or a scientist or group of scientists of comparable stature that is recommended by the President of the University of California. Program funds are used to contract for external scientific review services for various CalEPA boards, departments and offices, and to pay for related personnel, travel, and overhead costs.

The Circuit Prosecutor Project is a joint effort with the California District Attorneys' Association to assure appropriate and uniform environmental enforcement by handling criminal and civil environmental prosecutions of cases under State toxic, air, and water pollution laws in various rural counties.

The Environmental Enforcement Project implements Chapter 65, Statutes of 1999, requiring the Secretary to develop a program to ensure that enforcement actions taken within CalEPA's jurisdiction are consistent, effective, and coordinated, including the establishment of a cross-media enforcement unit and the crosstraining of inspection and enforcement personnel.

Major Budget Adjustments Proposed for 2002–03

- Reduction Issue in the December Revision
 - \$88,000 General Fund for Permit Assistance Centers.
 - Other Reduction
 - \$19,000 General Fund and 0.5 PY for the Environmental Enforcement Program pursuant to Control Section 31.60.

Major Budget Adjustments Proposed for 2003–04

- Reduction Issues in the December Revision
 - \$339,000 and 3.8 PYs for Permit Assistance Centers.
 - \$6,000 for out-of-state travel.
- \$2,000,000 Environmental Enforcement and Training Account to implement the Local Environmental Enforcement, Training, and Grant Program pursuant to Chapter 1000, Statutes of 2002 (AB 2486).

Authority

Governor's Reorganization Plan No. 1 of 1991, Health and Safety Code, Division 37 and Section 57004.

PROGRAM BUDGET DETAIL

PROGRAM REQUIREMENTS

10 ENVIRONMENTAL PROTECTION PROGRAMS

State Operations:	2001–02*	2002–03*	2003–04*
0001 General Fund	\$1,734	\$1,603	\$1,599
0028 Unified Program Account	650	816	965
0044 Motor Vehicle Account, State Transportation Fund	549	631	575
0100 California Used Oil Recycling Fund	29	32	29
0387 Integrated Waste Management Account	262	289	270
0995 Reimbursements	2,729	1,827	2,080
1006 Rural CUPA Reimbursement Account	620	900	900
Less funding provided by General Fund	-620	-900	-900
Totals, State Operations	\$5,953	\$5,198	\$5,518

PROGRAM REQUIREMENTS

20 SPECIAL ENVIRONMENTAL PROGRAMS

State Operations:	2001–02*	2002–03*	2003–04*
0001 General Fund	\$1,501	\$929	\$680
0014 Hazardous Waste Control Account	334	355	341
0106 Department of Pesticide Regulation Fund	206	219	210
0281 Recycling Market Development Revolving Loan Account	151	161	155
0387 Integrated Waste Management Account	168	180	166
0439 Underground Storage Tank Cleanup Fund	54	57	55
0679 State Water Quality Control Fund	134	134	151
0995 Reimbursements	1,000	—	—
8013 Environmental Enforcement and Training Account	—	—	2,000
Totals, State Operations	\$3,548	\$2,035	\$3,758

* Dollars in thousands, except in Salary Range.

Governor's Office
0555 SECRETARY FOR ENVIRONMENTAL PROTECTION—Continued

ELEMENT REQUIREMENTS

	2001-02*	2002-03*	2003-04*
20.10 Permit Assistance Centers	\$1,490	\$402	\$152
20.15 Scientific Peer Review	1,006	651	618
20.20 Circuit Prosecutor Project	436	455	460
20.30 Environmental Enforcement	529	527	2,528
20.45 Environmental Management Systems	87	—	—
Totals, Special Environmental Programs	\$3,548	\$2,035	\$3,758
TOTALS, EXPENDITURES	\$9,501	\$7,233	\$9,276

SUMMARY BY OBJECT**1 STATE OPERATIONS**

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A)	63.2	47.5	47.5	\$4,083	\$3,180	\$3,216
Total Adjustments	—	-1.5	-5.5	—	-24	-238
Estimated Salary Savings	—	-3.5	-3.5	—	-142	-142
Net Totals, Salaries and Wages	63.2	42.5	38.5	\$4,083	\$3,014	\$2,836
Staff Benefits	—	—	—	702	748	665
Totals, Personal Services	63.2	42.5	38.5	\$4,785	\$3,762	\$3,501
OPERATING EXPENSES AND EQUIPMENT				\$4,716	\$3,471	\$5,775
TOTALS, EXPENDITURES				\$9,501	\$7,233	\$9,276

RECONCILIATION WITH APPROPRIATIONS**1 STATE OPERATIONS****0001 General Fund**

	2001-02*	2002-03*	2003-04*
APPROPRIATIONS			
001 Budget Act appropriation	\$2,737	\$1,695	\$1,379
Allocation for employee compensation	11	10	—
Adjustment per Section 3.60	61	34	—
Adjustment per Section 4.00	-14	—	—
Adjustment per Section 3.20 as added by Chapter I, Statutes of 2002, Third Extraordinary Session	-180	—	—
Adjustment per Section 31.60	—	-19	—
Mid-Year Revision Legislation	—	-88	—
011 Budget Act appropriation (Transfer to Rural CUPA Reimbursement Account)	900	900	900
Totals Available	\$3,515	\$2,532	\$2,279
Unexpended balance, estimated savings	-280	—	—
TOTALS, EXPENDITURES	\$3,235	\$2,532	\$2,279

0014 Hazardous Waste Control Account

APPROPRIATIONS			
001 Budget Act appropriation	\$334	\$355	\$341
TOTALS, EXPENDITURES	\$334	\$355	\$341

0028 Unified Program Account

APPROPRIATIONS			
001 Budget Act appropriation	\$799	\$823	\$965
Allocation for employee compensation	4	12	—
Adjustment per Section 3.60	24	14	—
Adjustment per Section 31.60	—	-33	—
Totals Available	\$827	\$816	\$965
Unexpended balance, estimated savings	-177	—	—
TOTALS, EXPENDITURES	\$650	\$816	\$965

* Dollars in thousands, except in Salary Range.

Governor's Office
0555 SECRETARY FOR ENVIRONMENTAL PROTECTION—Continued

0044 Motor Vehicle Account, State Transportation Fund

	2001-02*	2002-03*	2003-04*
APPROPRIATIONS			
001 Budget Act appropriation	\$534	\$605	\$575
Allocation for employee compensation	5	16	—
Adjustment per Section 3.60	13	10	—
Adjustment per Section 4.00	-3	—	—
Adjustment per Section 4.20	—	—	—
TOTALS, EXPENDITURES	\$549	\$631	\$575

0100 California Used Oil Recycling Fund

APPROPRIATIONS			
001 Budget Act appropriation	\$28	\$31	\$29
Allocation for employee compensation	—	—	—
Adjustment per Section 3.60	1	1	—
TOTALS, EXPENDITURES	\$29	\$32	\$29

0106 Department of Pesticide Regulation Fund

APPROPRIATIONS			
001 Budget Act appropriation	\$206	\$219	\$210
TOTALS, EXPENDITURES	\$206	\$219	\$210

0281 Recycling Market Development Revolving Loan Subaccount

APPROPRIATIONS			
001 Budget Act appropriation	\$151	\$161	\$155
TOTALS, EXPENDITURES	\$151	\$161	\$155

**0387 Integrated Waste Management Account,
Integrated Waste Management Fund**

APPROPRIATIONS			
001 Budget Act appropriation	\$422	\$457	\$436
Allocation for employee compensation	2	7	—
Adjustment per Section 3.60	6	5	—
Adjustment per Section 4.00	-1	—	—
Allocation for Department of Justice Attorney Services	1	—	—
TOTALS, EXPENDITURES	\$430	\$469	\$436

0439 Underground Storage Tank Cleanup Fund

APPROPRIATIONS			
001 Budget Act appropriation	\$54	\$57	\$55
TOTALS, EXPENDITURES	\$54	\$57	\$55

0679 State Water Quality Control Fund

APPROPRIATIONS			
001 Budget Act appropriation	\$134	\$134	\$151
TOTALS, EXPENDITURES	\$134	\$134	\$151

0995 Reimbursements

APPROPRIATIONS			
Reimbursements.....	\$3,729	\$1,827	\$2,080

1006 Rural CUPA Reimbursement Account

APPROPRIATIONS			
001 Budget Act appropriation	\$900	\$900	\$900
Totals Available	\$900	\$900	\$900
Unexpended balance, estimated savings	-280	—	—
TOTALS, EXPENDITURES	\$620	\$900	\$900
Less funding provided by General Fund	-620	-900	-900
NET TOTALS, EXPENDITURES	—	—	—

* Dollars in thousands, except in Salary Range.

Governor's Office
0555 SECRETARY FOR ENVIRONMENTAL PROTECTION—Continued

8013 Environmental Enforcement and Training Account

	2001-02*	2002-03*	2003-04*
APPROPRIATIONS			
001 Budget Act appropriation	—	—	\$2,000
TOTALS, EXPENDITURES	—	—	\$2,000
TOTALS, EXPENDITURES, ALL FUNDS (State Operations).....	\$9,501	\$7,233	\$9,276

FUND CONDITION STATEMENT

0028 Unified Program Account ^s

	2001-02*	2002-03*	2003-04*
BEGINNING BALANCE.....	\$2,244	\$1,823	\$1,164
Prior year adjustments	683	—	—
Balance, Adjusted.....	\$2,927	\$1,823	\$1,164
REVENUES AND TRANSFERS			
Revenues:			
125600 Other regulatory fees.....	1,855	2,500	2,500
150300 Income from surplus money investments.....	41	50	50
Totals, Revenues and Transfers.....	\$1,896	\$2,550	\$2,550
Totals, Resources	\$4,823	\$4,373	\$3,714
EXPENDITURES			
Disbursements:			
0555 Secretary for Environmental Protection (3895) (State Operations)	650	816	965
0690 Office of Emergency Services (State Operations)	583	630	610
3540 Department of Forestry and Fire Protection (State Operations)	264	310	301
3940 State Water Resources Control Board (State Operations).....	503	498	494
3960 Department of Toxic Substances Control (State Operations)	1,000	955	981
Totals, Disbursements	\$3,000	\$3,209	\$3,351
FUND BALANCE.....	\$1,823	\$1,164	\$363
Reserve for economic uncertainties	1,823	1,164	363

1006 Rural CUPA Reimbursement Account ^s

BEGINNING BALANCE.....	—	—	—
EXPENDITURES			
Disbursements:			
0555 Secretary for Environmental Protection (3895) (State Operations)	\$620	\$900	\$900
Expenditure Reductions:			
0555 Secretary for Environmental Protection (3895):			
Less funding provided by the General Fund (State Operations)	—620	—900	—900
Totals, Expenditures.....	—	—	—
FUND BALANCE.....	—	—	—

CHANGES IN

AUTHORIZED POSITIONS

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
Totals, Authorized Positions	63.2	47.5	47.5	\$4,083	\$3,180	\$3,216
Salary adjustments.....	—	—	—	—	19	19
Totals, Adjusted Authorized Positions	63.2	47.5	47.5	\$4,083	\$3,199	\$3,235
Adjustment per Control Section 31.60:						
10 Environmental Protection Programs:				Salary Range		
Ofc Techn-Typing	—	—1.0	—1.0	2,390-2,905	—28	—28
20.30 Environmental Enforcement:						
Air Resources Techn II	—	—0.5	—0.5	1,867-2,645	—15	—15
Total.....	—	—1.5	—1.5	—	—\$43	—\$43

* Dollars in thousands, except in Salary Range.

Governor's Office
0555 SECRETARY FOR ENVIRONMENTAL PROTECTION—Continued

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
Reductions in Authorized Positions:						
20.10 Permit Assistance Centers:				Salary Range		
Director.....	—	—	-2.0	\$5,493-6,058	—	-\$144
Envirntrl Scientist	—	—	-2.0	2,738-5,082	—	-70
Total.....	—	—	-4.0	—	—	-\$214
Total Adjustments	—	-1.5	-5.5	—	-\$24	-\$238
TOTALS, SALARIES AND WAGES	63.2	46.0	42.0	\$4,083	\$3,156	\$2,978

Governor's Office
0558 OFFICE OF THE SECRETARY FOR EDUCATION

The Secretary for Education, a member of the Governor's Cabinet, is responsible for advising the Governor and making recommendations on state education policy and legislation. The Office of the Secretary for Education (OSE) administers the Academic Volunteer and Mentor Service Program (Chapter 901, Statutes of 1992).

For the current fiscal year, the costs of the OSE are funded through the Governor's Office of Planning and Research. It is assumed that legislation will be proposed in 2003 to establish the Secretary statutorily, effective on or before January 1, 2004.

Major Budget Adjustments Proposed for 2002-03

- Reduction Issues in the December Revision
 - \$122,000 General Fund and 0.3 personnel year.
 - \$282,000 Proposition 98 General Fund for the Academic Volunteer and Mentor Service Program and the School-to-Career Partnerships Program.
- Other Reductions
 - \$552,000 Proposition 98 General Fund for the Academic Volunteer and Mentor Service Program and the School-to-Career Partnerships Program.

Major Budget Adjustments Proposed for 2003-04

- Reduction Issues in the December Revision
 - \$282,000 Proposition 98 General Fund for the Academic Volunteer and Mentor Service Program.
 - \$467,000 General Fund and 4.8 personnel years.
- Other Reductions
 - \$175,000 General Fund and 2.9 personnel years.
 - \$2,000,000 Proposition 98 General Fund to eliminate the School-to-Career Program.
 - \$474,000 for the Academic Volunteer and Mentor Service Program.

SUMMARY OF PROGRAM

REQUIREMENTS	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
10 Office of the Secretary for Education ..	22.1	23.1	17.6	\$8,599	\$2,252	\$1,720
20 Academic Volunteer and Mentor Service Program.....	3.9	2.9	1.9	9,912	5,082	5,017
30 Education Technology Grant Program .	—	—	—	550	—	—
50 School-to-Career Partnership Grants ...	—	—	—	2,225	1,999	—
TOTALS, PROGRAMS.....	26.0	26.0	19.5	\$21,286	\$9,333	\$6,737
0001 General Fund.....				19,286	2,457	1,710
0001 General Fund (Proposition 98).....				2,000	6,866	5,017
0995 Reimbursements				—	10	10

SUMMARY BY OBJECT

1 STATE OPERATIONS

PERSONAL SERVICES	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
Authorized Positions (Equals Sch. 7A)	26.0	28.0	28.0	\$1,608	\$1,619	\$1,619
Total Adjustments	—	-1.0	-8.0	—	-9	-516
Estimated Salary Savings	—	-1.0	-0.5	—	-61	-41
Net Totals, Salaries and Wages	26.0	26.0	19.5	\$1,608	\$1,549	\$1,062
Staff Benefits	—	—	—	232	228	153
Totals, Personal Services	26.0	26.0	19.5	\$1,840	\$1,777	\$1,215
OPERATING EXPENSES AND EQUIPMENT				\$6,759	\$475	\$505
TOTALS, EXPENDITURES				\$8,599	\$2,252	\$1,720

For the list of standard (lettered) footnotes, see the end of the Governor's Budget.

* Dollars in thousands, except in Salary Range.

Governor's Office
0558 OFFICE OF THE SECRETARY FOR EDUCATION—Continued

RECONCILIATION WITH APPROPRIATIONS**1 STATE OPERATIONS****0001 General Fund**

APPROPRIATIONS	2001-02*	2002-03*	2003-04*
001 Budget Act appropriation	\$1,248	\$1,142	\$855
Allocation from Office of Planning and Research	8,297	1,142	855
Allocation for employee compensation	6	14	—
Adjustment per Section 3.20 as added by Chapter 1, Statutes of 2002, Third Extraordinary Session	-738	—	—
Adjustment per Section 3.60	60	48	—
Adjustment per Section 3.90	-250	—	—
Adjustment per Section 4.00	-23	—	—
Adjustment per Mid-Year Revision Legislation	—	-122	—
Prior year balances available: Chapter 793, Statutes of 2000	18	18	—
Totals Available	\$8,618	\$2,242	\$1,710
Balance available in subsequent years	-18	—	—
Unexpended balance, estimated savings	-1	—	—
TOTALS, EXPENDITURES	\$8,599	\$2,242	\$1,710
0995 Reimbursements			
Reimbursements (Allocation from Office of Planning and Research)	—	\$10	\$10
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$8,599	\$2,252	\$1,720

SUMMARY BY OBJECT**2 LOCAL ASSISTANCE**

	2001-02*	2002-03*	2003-04*
Grants and subventions (Expenditures)	\$12,687	\$7,081	\$5,017

RECONCILIATION WITH APPROPRIATIONS**2 LOCAL ASSISTANCE****0001 General Fund, Proposition 98**

APPROPRIATIONS	2001-02*	2002-03*	2003-04*
Allocation from Office of Planning and Research (Academic Volunteer Mentor)	—	\$5,700	\$5,017
Adjustment per Mid-Year Revision Legislation	—	-209	—
Adjustment per pending legislation	—	-409	—
Allocation from Office of Planning and Research (School-to-Career)	\$2,000	2,000	—
Adjustment per Mid-Year Revision Legislation	—	-73	—
Adjustment per pending legislation	—	-143	—
TOTALS, EXPENDITURES	\$2,000	\$6,866	\$5,017
0001 General Fund			
APPROPRIATIONS			
Allocation from Office of Planning and Research (Projects of Regional Concern)	\$550	—	—
Prior year balances available: Allocation from Office of Planning and Research (Academic Volunteer Mentor), Reappropriation	10,000	—	—
Chapter 793, Statutes of 2000 (School-to-Career)	440	\$215	—
Totals Available	\$10,990	\$215	—
Balance available in subsequent years	-215	—	—
Unexpended balance, estimated savings	-88	—	—
TOTALS, EXPENDITURES	\$10,687	\$215	—
TOTALS, ALL FUNDS (Local Assistance)	\$12,687	\$7,081	\$5,017
TOTALS, EXPENDITURES (State Operations and Local Assistance)	\$21,286	\$9,333	\$6,737

* Dollars in thousands, except in Salary Range.

Governor's Office
0558 OFFICE OF THE SECRETARY FOR EDUCATION—Continued

CHANGES IN AUTHORIZED POSITIONS							
	<i>01-02</i>	<i>02-03</i>	<i>03-04</i>	<i>2001-02*</i>	<i>2002-03*</i>	<i>2003-04*</i>	
Totals, Authorized Positions	26.0	28.0	28.0	\$1,608	\$1,619	\$1,619	
Reductions in Authorized Positions:				Salary Range			
Sr Asst to the Governor	—	—	-1.0	10,272	—	-123	
Asst to the Governor	—	—	-1.0	8,379	—	-101	
Sr Proj Analyst	—	—	-1.0	6,672	—	-80	
Adm Asst II	—	—	-1.0	4,415-5,330	—	-53	
Sr Intergovtl Prog Analyst	—	—	-1.0	4,228-5,105	—	-51	
Assoc Intergovtl Prog Analyst	—	—	-1.0	3,642-4,391	—	-44	
Asst Intergovtl Prog Analyst	—	—	-1.0	3,056-3,859	—	-36	
Ofc Techn	—	-1.0	-1.0	2,319-2,959	-9	-28	
Totals	—	-1.0	-8.0	—	-\$9	-\$516	
Total Adjustments	—	-1.0	-8.0	—	-\$9	-\$516	
TOTALS, SALARIES AND WAGES	26.0	27.0	20.0	\$1,608	\$1,610	\$1,103	

Governor's Office
0559 SECRETARY FOR LABOR AND WORKFORCE DEVELOPMENT AGENCY

On July 2, 2002, pursuant to the Governor's Reorganization Plan Number 1, the new Labor and Workforce Development Agency was created to bring together the departments, boards and commissions that train, protect and provide benefits such as unemployment insurance and workers' compensation. The roles and responsibilities of the agency are codified in Chapter 859, Statutes of 2002 (SB 1236).

The Labor and Workforce Development Agency includes the Department of Industrial Relations, the Employment Development Department, the Agricultural Labor Relations Board and the Workforce Investment Board. The Agency provides policy and enforcement coordination of California's labor and employment programs and policy and budget direction for the departments and boards.

Major Budget Adjustment Proposed for 2002-03

- Reduction Issues in the December Revision
- \$244,000 General Fund savings resulting from the late enactment of the 2002 Budget Act.

Authority

Government Code Sections 12800 and 12813.

SUMMARY OF PROGRAM REQUIREMENTS							
	<i>01-02</i>	<i>02-03</i>	<i>03-04</i>	<i>2001-02*</i>	<i>2002-03*</i>	<i>2003-04*</i>	
10 Office of the Secretary for Labor and Workforce Development	—	8.8	16.1	—	\$1,588	\$2,311	
TOTALS, PROGRAMS	—	8.8	16.1	—	\$1,588	\$2,311	
0001 General Fund	—	—	—	—	7	317	
0890 Federal Trust Fund	—	—	—	—	108	136	
0995 Reimbursements	—	—	—	—	1,473	1,858	

**SUMMARY BY OBJECT
1 STATE OPERATIONS**

	<i>01-02</i>	<i>02-03</i>	<i>03-04</i>	<i>2001-02*</i>	<i>2002-03*</i>	<i>2003-04*</i>	
PERSONAL SERVICES							
Authorized Positions (Equals Sch. 7A)	—	17.0	17.0	—	\$1,423	\$1,430	
Estimated Salary Savings	—	-8.2	-0.9	—	-642	-72	
Net Totals, Salaries and Wages	—	8.8	16.1	—	\$781	\$1,358	
Staff Benefits	—	—	—	—	220	350	
Totals, Personal Services	—	8.8	16.1	—	\$1,001	\$1,708	
OPERATING EXPENSES AND EQUIPMENT	—	—	—	—	\$587	\$603	
TOTALS, EXPENDITURES	—	—	—	—	\$1,588	\$2,311	

For the list of standard (lettered) footnotes, see the end of the Governor's Budget.

* Dollars in thousands, except in Salary Range.

Governor's Office

0559 SECRETARY FOR LABOR AND WORKFORCE DEVELOPMENT AGENCY—Continued

RECONCILIATION WITH APPROPRIATIONS

1 STATE OPERATIONS

0001 General Fund

APPROPRIATIONS	2001-02*	2002-03*	2003-04*
001 Budget Act appropriation	—	\$244	\$317
Allocation for employee compensation	—	1	—
Adjustment per Section 3.60	—	6	—
Adjustment per Mid-Year Revision Legislation	—	-244	—
TOTALS, EXPENDITURES	—	\$7	\$317

0890 Federal Trust Fund

APPROPRIATIONS			
001 Budget Act appropriation	—	\$104	\$136
Allocation for employee compensation	—	1	—
Adjustment per Section 3.60	—	3	—
TOTALS, EXPENDITURES	—	\$108	\$136

0995 Reimbursements

APPROPRIATIONS			
Reimbursements	—	\$1,473	\$1,858
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	—	\$1,588	\$2,311

Governor's Office

0650 OFFICE OF PLANNING AND RESEARCH

The Office of Planning and Research (OPR) assists the Governor and the Administration in planning, research, and liaison with local government. OPR also oversees programs for small business advocacy, rural policy, environmental justice, and helps implement decisions made within the Administration. In addition, the office has responsibilities pertaining to state planning, California Environmental Quality Act (CEQA) assistance, environmental and federal project review procedures, and oversees the Governor's Office on Service and Volunteerism, which administers the California AmeriCorps program.

Authority

Government Code Sections 4530-4535.3, 12035-12038, 12078, 13367.5(h), 13367.65, 15202, 56430, 56815.2, 65025-65049, 65050, 65302.6, 65420-65428, 65962.5, 66452.7, 66455.5, and 67470; Public Resources Code Sections 5096.89, 21080.3-21080.4, 21083-21087, 21159.9, 21165, 25616, and 30415; Fish and Game Code Section 711.4; Health and Safety Code Sections 25199-25199.9; Streets and Highways Code Section 228; Unemployment Insurance Code Section 10535; Welfare and Institutions Code Section 10807; California Administrative Code Sections 15051 and 15065.5.

SUMMARY OF PROGRAM

REQUIREMENTS	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
11 State Planning and Policy Development	64.5	62.4	62.4	\$5,341	\$5,391	\$5,395
21 Governor's Office on Service and Volunteerism	18.3	21.5	21.5	39,043	48,933	48,700
TOTALS, PROGRAMS	82.8	83.9	83.9	\$44,384	\$54,324	\$54,095
0001 General Fund				8,747	4,500	4,256
0002 Property Acquisition Law Money Account				478	504	506
0890 Federal Trust Fund				34,137	48,349	48,362
0995 Reimbursements				1,022	971	971

11 STATE PLANNING AND POLICY DEVELOPMENT

Program Objectives Statement

The major activities of the office include: (1) recommending and implementing state policies with regard to land-use and growth planning; (2) carrying out a program of policy research for the Governor and Cabinet; (3) providing technical advice to local governments with regard to planning; (4) advising permit applicants and government agencies on provisions of the CEQA and operating the State Clearinghouse for environmental and federal grant documents; (5) managing the Governor's Innovation in Government program; (6) preparing guidelines and providing assistance to local agency formation commissions; and (7) conducting such other activities as the Governor may direct.

For the list of standard (lettered) footnotes, see the end of the Governor's Budget.

* Dollars in thousands, except in Salary Range.

Governor's Office
0650 OFFICE OF PLANNING AND RESEARCH—Continued

Major Budget Adjustment Proposed for 2002–03

- Reduction Issues in the December Revision
- \$8,000 General Fund for out-of-state travel expenditures.

Major Budget Adjustment Proposed for 2003–04

- Reduction Issues in the December Revision
- \$18,000 General Fund for out-of-state travel expenditures.

21 GOVERNOR'S OFFICE ON SERVICE AND VOLUNTEERISM (GOSERV)**Program Objectives Statement**

GOSERV, which oversees California's AmeriCorps program, is dedicated to uniting individuals in service to their communities, promoting responsible citizenship, and achieving demonstrable results in addressing California's persistent unmet human, educational, public safety, and environmental needs. GOSERV members, acting as "Ambassadors of Service" in their local communities, promote, support and build service opportunities and networks which encourage Californians of all backgrounds, abilities and ages to build a California where all residents understand the importance of community service and social responsibility.

Major Budget Adjustments Proposed for 2002–03

- Reduction Issues in the December Revision
- \$1,000 General Fund for out-of-state travel expenditures.
- \$4,750,000 General Fund for Cesar Chavez Day of Learning service grants.

Major Budget Adjustments Proposed for 2003–04

- Reduction Issues in the December Revision
- \$2,000 General Fund for out-of-state travel expenditures.
- \$5,000,000 General Fund to suspend the provision of Cesar Chavez Day of Learning service grants for fiscal years 2003–04, 2004–05, and 2005–06.

SUMMARY BY OBJECT**1 STATE OPERATIONS**

	<i>01–02</i>	<i>02–03</i>	<i>03–04</i>	<i>2001–02*</i>	<i>2002–03*</i>	<i>2003–04*</i>
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A)	82.8	86.1	86.1	\$4,393	\$4,447	\$4,447
Estimated Salary Savings	—	–2.2	–2.2	—	–230	–230
Net Totals, Salaries and Wages	82.8	83.9	83.9	\$4,393	\$4,217	\$4,217
Staff Benefits	—	—	—	839	882	882
Totals, Personal Services	82.8	83.9	83.9	\$5,232	\$5,099	\$5,099
OPERATING EXPENSES AND EQUIPMENT				\$6,668	\$3,425	\$3,196
TOTALS, EXPENDITURES				\$11,900	\$8,524	\$8,295

RECONCILIATION WITH APPROPRIATIONS**1 STATE OPERATIONS****0001 General Fund**

	<i>2001–02*</i>	<i>2002–03*</i>	<i>2003–04*</i>
APPROPRIATIONS			
001 Budget Act appropriation	\$4,510	\$4,118	\$4,256
Allocation for employee compensation	20	44	—
Adjustment per Section 3.20 as added by Chapter 1, Statutes of 2002, Third Extraordinary Session	–36	—	—
Adjustment per Section 3.60	127	98	—
Adjustment per Section 3.90	–118	—	—
Adjustment per Section 4.00	–53	—	—
Adjustment per Section 4.20	—	–1	—
Adjustment per Mid-Year Revision Legislation	—	–9	—
011 Budget Act appropriation	8,297	1,142	855
Allocation for employee compensation	6	14	—
Adjustment per Section 3.20 as added by Chapter 1, Statutes of 2002, Third Extraordinary Session	–738	—	—
Adjustment per Section 3.60	60	48	—
Adjustment per Section 3.90	–250	—	—

* Dollars in thousands, except in Salary Range.

Governor's Office
0650 OFFICE OF PLANNING AND RESEARCH—Continued

	2001-02*	2002-03*	2003-04*
Adjustment per Section 4.00	-\$23	-	-
Adjustment per Mid-Year Revision Legislation	-	-\$122	-
Transfer from Item 0558-001-0001 per Provision 1	1,248	1,142	-
Prior year balances available:			
Chapter 793, Statutes of 2000	18	18	-
Less amount shown in Office of Secretary for Education	-8,618	-2,242	-\$855
Chapter 213, Statutes of 2000	5,000	5,000	-
As amended by pending legislation	-	-4,750	-
Adjustment per Section 3.90	-131	-	-
Totals Available	\$9,319	\$4,500	\$4,256
Unexpended balance, estimated savings	-572	-	-
TOTALS, EXPENDITURES	\$8,747	\$4,500	\$4,256
0002 Property Acquisition Law Money Account			
APPROPRIATIONS			
001 Budget Act appropriation	\$478	\$490	\$506
Allocation for employee compensation	-	3	-
Adjustment per Section 3.60	-	11	-
Totals Available	\$478	\$504	\$506
TOTALS, EXPENDITURES	\$478	\$504	\$506
0890 Federal Trust Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$2,475	\$2,532	\$2,562
Allocation for employee compensation	-	3	-
Adjustment per Section 3.60	29	14	-
Adjustment per Section 4.00	-14	-	-
Budget adjustment	-837	-	-
TOTALS, EXPENDITURES	\$1,653	\$2,549	\$2,562
0995 Reimbursements			
Reimbursements	\$1,022	\$971	\$971
Reimbursements (Allocation to Office of the Secretary for Education)	-	10	10
Less amount shown in Office of the Secretary for Education	-	-10	-10
TOTALS, EXPENDITURES	\$1,022	\$971	\$971
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$11,900	\$8,524	\$8,295

RECONCILIATION WITH APPROPRIATIONS**2 LOCAL ASSISTANCE****0001 General Fund, Proposition 98**

	2001-02*	2002-03*	2003-04*
APPROPRIATIONS			
111 Budget Act appropriation	-	\$5,700	\$5,017
Adjustment per Mid-Year Revision Legislation	-	-209	-
Adjustment per pending legislation	-	-409	-
114 Budget Act appropriation	\$2,000	2,000	-
Adjustment per Mid-Year Revision Legislation	-	-73	-
Adjustment per pending legislation	-	-143	-
Less amount shown in Office of the Secretary for Education	-2,000	-6,866	-5,017
TOTALS, EXPENDITURES	-	-	-
0001 General Fund, Non-Proposition 98			
APPROPRIATIONS			
102 Budget Act appropriation	\$550	-	-
Reappropriation from the Prop 98 Reversion Account per Item 0650-485, Budget Act of 2001	10,000	-	-
Prior year balances available:			
Chapter 793, Statutes of 2000	440	\$215	-
Less amount shown in Office of Secretary for Education	-10,990	-215	-
TOTALS, EXPENDITURES	-	-	-

* Dollars in thousands, except in Salary Range.

Governor's Office
0650 OFFICE OF PLANNING AND RESEARCH—Continued

0890 Federal Trust Fund

	2001-02*	2002-03*	2003-04*
APPROPRIATIONS			
101 Budget Act appropriation	\$45,800	\$45,800	\$45,800
Budget adjustment	-13,316	-	-
TOTALS, EXPENDITURES	\$32,484	\$45,800	\$45,800
TOTALS, EXPENDITURES (Local Assistance)	\$32,484	\$45,800	\$45,800
TOTALS, EXPENDITURES, ALL FUNDS (State Operations and Local Assistance)	\$44,384	\$54,324	\$54,095

Governor's Office
0690 OFFICE OF EMERGENCY SERVICES

The principal objective of the Office of Emergency Services (OES) is the coordination of emergency activities to save lives and reduce property losses during disasters and to expedite recovery from the effects of disasters.

On a day-to-day basis, OES provides leadership, assistance and support to state and local agencies in planning and preparing for the most effective use of federal, state, local and private sector resources in emergencies. This emergency planning is based upon a system of mutual aid in which a jurisdiction relies first on its own resources, then calls for assistance from its neighbors. OES' plans and programs are coordinated with those of the federal government, other states, and state and local agencies within California.

During an emergency, OES functions as the Governor's immediate staff to coordinate the state's responsibilities under the Emergency Services Act and applicable federal statutes, and it acts as the conduit for federal assistance through natural disaster grants and federal agency support.

SUMMARY OF PROGRAM

REQUIREMENTS	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
15 Mutual Aid Response	100.2	102.7	102.7	\$16,428	\$15,502	\$15,798
35 Plans and Preparedness	137.8	129.3	118.4	30,066	37,116	35,439
45 Disaster Assistance	189.4	168.6	163.3	587,877	669,941	599,804
55 Administration and Executive	70.3	68.0	59.7	5,648	6,037	5,715
Distributed Administration and Executive	-	-	-	-4,753	-5,142	-4,820
98 State-Mandated Local Programs	-	-	-	-	-	-
TOTALS, PROGRAMS	497.7	468.6	444.1	\$635,266	\$723,454	\$651,936
0001 General Fund				74,883	56,110	50,874
0028 Unified Program Account				583	629	610
0029 Nuclear Planning Assessment Special Account				1,900	3,991	3,061
0372 Disaster Relief Fund				90	-	-
0437 State Assistance for Fire Equipment Account				9	100	100
0890 Federal Trust Fund				555,228	660,511	595,178
0995 Reimbursements				2,573	2,113	2,113

15 MUTUAL AID RESPONSE

Program Objectives Statement

This program provides emergency mutual aid services, including the effective use of federal, state, and local resources, by and for the benefit of jurisdictions whose resources and services are overextended in a disaster situation. Central to this effort is maintaining operational readiness at all levels of government. Information Technology tools are used extensively to increase the effectiveness and efficiency of these efforts.

Major Budget Adjustment Proposed for 2002-03

- Reduction Issues in the December Revision
 - \$306,000 General Fund for the Mutual Aid Response Division.

Major Budget Adjustment Proposed for 2003-04

- Other Reductions
 - \$580,000 General Fund for the California Integrated Seismic Network.

35 PLANS AND PREPAREDNESS

Program Objectives Statement

This program's objective is to develop and implement emergency plans to ensure consistency in planning at all levels of government. Training is also included in this program and covers emergency management courses in preparedness, mitigation and technical training for radiological response and recovery.

For the list of standard (lettered) footnotes, see the end of the Governor's Budget.

* Dollars in thousands, except in Salary Range.

Governor's Office
0690 OFFICE OF EMERGENCY SERVICES—Continued

Major Budget Adjustments Proposed for 2002–03

- Reduction Issues in the December Revision
 - \$315,000 General Fund and 9.5 personnel years for the Plans and Preparedness Division for the California Specialized Training Institute.
 - \$50,000 General Fund for the Earthquake Preparedness Campaign.
- Other Reductions
 - \$62,000 special funds and \$57,000 Federal Funds and 2.0 personnel years pursuant to Control Section 31.60 (\$98,000 personal services, \$19,000 benefits, and \$2,000 operating expenses and equipment).

Major Budget Adjustments Proposed for 2003–04

- Reduction Issues in the December Revision
 - \$332,000 General Fund and 9.5 personnel years for the Plans and Preparedness Division for the California Specialized Training Institute.
 - \$50,000 General Fund for the Earthquake Preparedness Campaign.
- Other Reductions
 - \$25,000 General Fund and 0.9 personnel year for the Dam Safety Program.
 - \$556,000 General Fund and 10.0 personnel years for the Coastal Region Office.
 - \$62,000 special funds and \$57,000 Federal Funds and 2.0 personnel years pursuant to Control Section 31.60 (\$98,000 personal services, \$19,000 benefits, and \$2,000 operating expenses and equipment).

45 DISASTER ASSISTANCE**Program Objectives Statement**

The objective of this program is to provide aid to local agencies for repair and restoration of public real property in stricken areas in time of disaster and to provide assurance that all public facilities will be restored in order to provide necessary services to the citizens of the affected areas.

The Natural Disaster Assistance Act was established by Chapter 290, Statutes of 1974. This law charges the director of the OES with the administration of the program. A local agency is eligible to participate in the program if it declares a local emergency which is found acceptable to the director of OES.

Through the Federal Disaster Relief Act (PL 93-288), local government and other public entities are provided financial and other assistance to recover from the effects of floods, earthquakes, and other natural disasters. In a presidential declaration of a "major disaster" or "major emergency," assistance may be provided to the public sector for repair and restoration of public facilities, roads, buildings, utilities, flood control systems, etc. and/or the private sector by coordinating state agency response in providing assistance to individuals impacted by the disaster.

Major Budget Adjustments Proposed for 2002–03

- Reduction Issues in the December Revision
 - \$917,000 General Fund and 24.7 personnel years for the Pasadena Regional Office in the Disaster Assistance Division.
 - \$1,274,000 General Fund for local assistance funding in the Disaster Assistance Division.
- Other Reductions
 - \$150,000 General Fund, \$217,000 Federal Funds and 7.0 personnel years pursuant to Control Section 31.60 (\$301,000 personal services, \$61,000 benefits, and \$5,000 operating expenses and equipment).

Major Budget Adjustments Proposed for 2003–04

- Reduction Issues in the December Revision
 - \$1,114,000 General Fund and 30.0 personnel years for the Pasadena Regional Office in the Disaster Assistance Division.
 - \$5,095,000 General Fund for local assistance funding in the Disaster Assistance Division.
- Other Reductions
 - \$150,000 General Fund, \$217,000 Federal Funds and 7.0 personnel years pursuant to Control Section 31.60 (\$301,000 personal services, \$61,000 benefits, and \$5,000 operating expenses and equipment).

55 ADMINISTRATION AND EXECUTIVE**Program Objectives Statement**

This program provides the overall policy direction of the department from the director's office as well as supporting services such as accounting, personnel and business services.

Major Budget Adjustment Proposed for 2002–03

- Reduction Issues in the December Revision
 - \$3,000 General Fund and 0.2 personnel year for the Administration and Executive Division.

Major Budget Adjustments Proposed for 2003–04

- Reduction Issues in the December Revision
 - \$354,000 General Fund and 8.5 personnel years for the Administration and Executive Division.
- Other Reductions
 - \$48,000 General Fund for Out-of-State Travel.

Governor's Office
0690 OFFICE OF EMERGENCY SERVICES—Continued

98 STATE-MANDATED LOCAL PROGRAMS

Program Objectives Statement

The objective of this program is to provide funding, pursuant to Section 6 of Article XIII B of the California Constitution, to reimburse local entities for costs they incur in complying with state mandates. This budget proposes to continue the suspension of the Deaf Teletype Equipment Mandate (Chapter 1032, Statutes of 1980).

PROGRAM BUDGET DETAIL

PROGRAM REQUIREMENTS

15 MUTUAL AID RESPONSE

State Operations:	<i>2001-02*</i>	<i>2002-03*</i>	<i>2003-04*</i>
0001 General Fund	\$15,998	\$15,046	\$15,339
0437 State Assistance for Fire Equipment Account	9	100	100
0890 Federal Trust Fund	421	356	359
Totals, State Operations	\$16,428	\$15,502	\$15,798

ELEMENT REQUIREMENTS

15.10 Fire and Rescue

State Operations:			
0001 General Fund	5,544	5,547	5,864
0437 State Assistance for Fire Equipment Account	9	100	100
0890 Federal Trust Fund	189	356	359

15.20 Law Enforcement

State Operations:			
0001 General Fund	1,437	2,129	2,109
0890 Federal Trust Fund	232	—	—

15.30 Information Technology/Operations Support

State Operations:			
0001 General Fund	9,017	7,370	7,366

PROGRAM REQUIREMENTS

35 PLANS AND PREPAREDNESS

State Operations:			
0001 General Fund	\$10,642	\$6,047	\$5,262
0028 Unified Program Account	583	629	610
0029 Nuclear Planning Assessment Special Account	539	1,163	878
0890 Federal Trust Fund	6,171	7,087	7,144
0995 Reimbursements	2,573	2,113	2,113
Totals, State Operations	\$20,508	\$17,039	\$16,007
Local Assistance:			
0029 Nuclear Planning Assessment Special Account	1,360	2,828	2,183
0890 Federal Trust Fund	8,198	17,249	17,249
Totals, Local Assistance	\$9,558	\$20,077	\$19,432

ELEMENT REQUIREMENTS

35.10 Plans and Preparedness

State Operations:			
0001 General Fund	8,231	4,726	3,983
0028 Unified Program Account	583	629	610
0029 Nuclear Planning Assessment Special Account	539	1,163	878
0890 Federal Trust Fund	5,069	5,265	5,308
0995 Reimbursements	140	95	95

Local Assistance:

0029 Nuclear Planning Assessment Special Account	1,360	2,828	2,183
0890 Federal Trust Fund	8,198	17,249	17,249

35.30 Training

State Operations:			
0001 General Fund	2,411	1,321	1,279
0890 Federal Trust Fund	1,102	1,822	1,836
0995 Reimbursements	2,433	2,018	2,018

* Dollars in thousands, except in Salary Range.

Governor's Office
0690 OFFICE OF EMERGENCY SERVICES—Continued

PROGRAM REQUIREMENTS**45 DISASTER ASSISTANCE**

	<i>2001-02*</i>	<i>2002-03*</i>	<i>2003-04*</i>
State Operations:			
0001 General Fund	\$8,499	\$9,923	\$9,000
0890 Federal Trust Fund	8,882	12,569	12,700
Totals, State Operations	\$17,381	\$22,492	\$21,700
Local Assistance:			
0001 General Fund	38,850	24,199	20,378
0372 Natural Disaster Relief Fund	90	—	—
0890 Federal Trust Fund	531,556	623,250	557,726
Totals, Local Assistance	\$570,496	\$647,449	\$578,104

PROGRAM REQUIREMENTS**55 ADMINISTRATION/EXECUTIVE**

Undistributed Administration:

State Operations:			
0001 General Fund	\$895	\$895	\$895
Totals, State Operations for Undistributed Administration	\$895	\$895	\$895

PROGRAM REQUIREMENTS**98 STATE-MANDATED LOCAL PROGRAMS**

Local Assistance:			
Ch. 1032/80—Deaf Teletype Equipment	—	—	—
Totals, Local Assistance	—	—	—

TOTAL EXPENDITURES

State Operations	\$55,212	\$55,928	\$54,400
Local Assistance	580,054	667,526	597,536
TOTALS, EXPENDITURES	\$635,266	\$723,454	\$651,936

SUMMARY BY OBJECT**1 STATE OPERATIONS**

	<i>01-02</i>	<i>02-03</i>	<i>03-04</i>	<i>2001-02*</i>	<i>2002-03*</i>	<i>2003-04*</i>
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A)	497.7	537.8	537.8	\$27,152	\$28,874	\$29,354
Total Adjustments	—	—45.0	—72.0	—	—1,821	—2,859
Estimated Salary Savings	—	—24.2	—21.7	—	—1,382	—1,406
Net Totals, Salaries and Wages	497.7	468.6	444.1	\$27,152	\$25,671	\$25,089
Staff Benefits	—	—	—	5,920	5,715	5,578
Totals, Personal Services	497.7	468.6	444.1	\$33,072	\$31,386	\$30,667
OPERATING EXPENSES AND EQUIPMENT				\$22,140	\$24,542	\$23,733
TOTALS, EXPENDITURES				\$55,212	\$55,928	\$54,400

RECONCILIATION WITH APPROPRIATIONS**1 STATE OPERATIONS****0001 General Fund**

	<i>2001-02*</i>	<i>2002-03*</i>	<i>2003-04*</i>
APPROPRIATIONS			
001 Budget Act appropriation	\$35,977	\$32,539	\$30,496
Allocation for employee compensation	124	360	—
Allocation for contingencies or emergencies	606	—	—
Adjustment per Section 3.60	725	683	—
Revised adjustment per Section 3.90	—492	—	—
Adjustment per Section 4.60	12	—	—

* Dollars in thousands, except in Salary Range.

Governor's Office
0690 OFFICE OF EMERGENCY SERVICES—Continued

	2001-02*	2002-03*	2003-04*
Adjustment per Section 4.00	-\$51	-	-
Adjustment per Chapter 1, Statutes of 2002, Third Extraordinary Session	-1,000	-	-
Adjustment per Section 31.60	-	-\$150	-
Adjustment per Section 4.20	-	-5	-
Adjustment per Mid-Year Revision Legislation	-	-1,591	-
Prior year balances available:			
Chapter 294, Statutes of 1999	75	75	-
Chapter 490, Statutes of 1998	140	-	-
Totals Available	\$36,116	\$31,911	\$30,496
Unexpended balance, estimated savings	-8	-	-
Balance available in subsequent years	-75	-	-
TOTALS, EXPENDITURES	\$36,033	\$31,911	\$30,496

0028 Unified Program Account

APPROPRIATIONS			
001 Budget Act appropriation	\$580	\$613	\$610
Allocation for employee compensation	5	1	-
Adjustment per Section 3.60	13	15	-
Adjustment per Section 4.20	-	-	-
Totals Available	\$598	\$629	\$610
Unexpended balance, estimated savings	-15	-	-
TOTALS, EXPENDITURES	\$583	\$629	\$610

0029 Nuclear Planning Assessment Special Account

APPROPRIATIONS			
001 Budget Act appropriation	\$857	\$890	\$878
Allocation for employee compensation	2	3	-
Adjustment per Section 3.60	-	13	-
Adjustment per Section 31.60	-	-62	-
Adjustment per Section 4.20	-	-	-
Prior year balances available:			
Item 0690-001-0029, Budget Act of 2000	88	-	-
Item 0690-001-0029, Budget Act of 2001	-	319	-
Totals Available	\$947	\$1,163	\$878
Unexpended balance, estimated savings	-88	-	-
Balance available in subsequent years	-319	-	-
TOTALS, EXPENDITURES	\$540	\$1,163	\$878

0437 State Assistance For Fire Equipment Account

APPROPRIATIONS			
Government Code Section 8589.16	\$9	\$100	\$100
TOTALS, EXPENDITURES	\$9	\$100	\$100

0890 Federal Trust Fund

APPROPRIATIONS			
001 Budget Act appropriation	\$19,550	\$20,074	\$20,203
Allocation for employee compensation	26	75	-
Adjustment per Section 3.60	173	139	-
Adjustment per Section 4.00	-10	-	-
Adjustment per Section 31.60	-	-274	-
Adjustment per Section 4.20	-	-2	-
Budget Adjustment	-4,265	-	-
TOTALS, EXPENDITURES	\$15,474	\$20,012	\$20,203

0995 Reimbursements

APPROPRIATIONS			
Reimbursements	\$2,573	\$2,113	\$2,113
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$55,212	\$55,928	\$54,400

* Dollars in thousands, except in Salary Range.

Governor's Office
0690 OFFICE OF EMERGENCY SERVICES—Continued

RECONCILIATION WITH APPROPRIATIONS**2 LOCAL ASSISTANCE****0001 General Fund**

APPROPRIATIONS	2001-02*	2002-03*	2003-04*
101 Budget Act appropriation	\$225	—	—
112 Budget Act appropriation.....	51,212	\$25,473	\$20,378
Adjustment per Mid-Year Revision Legislation	—	-1,274	—
295 Budget Act appropriation (State Mandates)	0 ¹	0 ¹	0 ¹
Chapter 511, Statutes of 2001	8,000	—	—
Totals Available	\$59,437	\$24,199	\$20,378
Unexpended balance, estimated savings	-20,587	—	—
TOTALS, EXPENDITURES	\$38,850	\$24,199	\$20,378

¹ Mandates suspended per Government Code Section 17581.

0029 Nuclear Planning Assessment Special Account

APPROPRIATIONS			
101 Budget Act appropriation	\$2,054	\$2,134	\$2,183
Prior year balances available:			
Item 0690-101-0029, Budget Act of 2000	450	—	—
Item 0690-101-0029, Budget Act of 2001	—	694	—
Totals Available	\$2,504	\$2,828	\$2,183
Unexpended balance, estimated savings	-450	—	—
Balance available in subsequent years	-694	—	—
TOTALS, EXPENDITURES	\$1,360	\$2,828	\$2,183

0372 Disaster Relief Fund

APPROPRIATIONS			
102 Budget Act appropriation	\$378	—	—
Totals Available	\$378	—	—
Unexpended balance, estimated savings	-288	—	—
TOTALS, EXPENDITURES	\$90	—	—

0890 Federal Trust Fund

APPROPRIATIONS			
101 Budget Act appropriation	\$591,880	\$555,365	\$574,975
Budget Adjustment	-52,126	85,134	—
TOTALS, EXPENDITURES	\$539,754	\$640,499	\$574,975
TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)	\$580,054	\$667,526	\$597,536
TOTALS, EXPENDITURES, ALL FUNDS (State Operations and Local Assistance)	\$635,266	\$723,454	\$651,936

FUND CONDITION STATEMENT**0029 Nuclear Planning Assessment Special Account ^{s 2}**

	2001-02*	2002-03*	2003-04*
BEGINNING BALANCE.....	\$1,244	\$574	\$45
Prior year adjustments	-924	—	—
Balance, Adjusted.....	\$320	\$574	\$45
REVENUES AND TRANSFERS			
Revenues:			
125600 Other regulatory fees (Fixed Nuclear Powerplant Operators).....	2,728	4,066	3,704
Totals, Resources.....	\$3,048	\$4,640	\$3,749

* Dollars in thousands, except in Salary Range.

Governor's Office
0690 OFFICE OF EMERGENCY SERVICES—Continued

EXPENDITURES

Disbursements:

0690 Office of Emergency Services:

State Operations.....

Local Assistance

2001-02*	2002-03*	2003-04*
\$540	\$1,163	\$878
1,360	2,828	2,183

Totals, Disbursements for the Office of Emergency Services

\$1,900	\$3,991	\$3,061
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4260 Department of Health Services (State Operations)

574	604	628
-----	-----	-----

Totals, Disbursements

\$2,474	\$4,595	\$3,689
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FUND BALANCE.....

\$574	\$45	\$60
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Reserve for economic uncertainties

574	45	60
-----	----	----

² The fund contains tax proceeds subject to the State Appropriations Limit, Article XIII B of the Constitution. In addition to the amounts reflected as expenditures in this statement, appropriations subject to the limit are adjusted for increases or decreases in the fund's Reserve for Economic Uncertainties and do not include any amounts expended for debt service, subventions to local government, compliance with federal or court mandates and from appropriations made in previous years (carryovers). Additional information on the State Appropriations Limit is provided in the Governor's Budget Summary.

0437 State Assistance for Fire Equipment Account ^s

BEGINNING BALANCE.....

\$311	\$395	\$395
-------	-------	-------

Prior year adjustments

17	—	—
----	---	---

Balance, Adjusted.....

\$328	\$395	\$395
-------	-------	-------

REVENUES AND TRANSFERS

Revenues:

131700 Miscellaneous revenue from local agencies

76	100	100
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Totals, Resources.....

\$404	\$495	\$495
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EXPENDITURES

Disbursements:

0690 Office of Emergency Services (State Operations)

9	100	100
---	-----	-----

Totals, Disbursements

\$9	\$100	\$100
-----	-------	-------

FUND BALANCE.....

\$395	\$395	\$395
-------	-------	-------

Reserve for economic uncertainties

395	395	395
-----	-----	-----

CHANGES IN**AUTHORIZED POSITIONS**

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
Totals, Authorized Positions	497.7	537.8	537.8	\$27,152	\$28,874	\$29,354
Salary adjustments	—	—	—	—	—	—
Totals, Adjusted Authorized Positions	497.7	537.8	537.8	\$27,152	\$28,874	\$29,354

Adjustment per Control Section 31.60:

Disaster Assistance Division:

Prog Mgr I	—	-1.0	-1.0	4,629-5,591	-56	-56
Disaster Assistance Prog Spec II	—	-1.0	-1.0	4,021-4,853	-46	-46
Assoc Govtl Prog Analyst	—	-1.0	-1.0	3,915-4,759	-47	-47
Disaster Assistance Prog Spec I	—	-3.0	-3.0	3,092-4,131	-111	-111
AGPA/SSA/Jr Staff Analyst	—	-1.0	-1.0	2,507-3,300	-41	-41

Emergency Operations, Planning and

Training:

Coord-Radiological	—	-1.0	-1.0	4,215-5,081	-51	-51
AGPA/SSA/Jr Staff Analyst	—	-1.0	-1.0	2,507-3,300	-47	-47

Totals.....

0.0	-9.0	-9.0	—	-\$399	-\$399
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Proposed Reductions:

Disaster Assistance Division:

Prog Mgr I	—	-2.0	-2.0	4,629-5,591	-111	-111
Sr Emergency Svcs Coord	—	-1.0	-1.0	4,415-5,328	-53	-53
Disaster Assistance Prog Spec II	—	-2.0	-2.0	4,021-4,853	-97	-97
Assoc Govtl Prog Analyst	—	-2.0	-3.0	3,915-4,759	-94	-141
Disaster Assistance Prog Spec I	—	-6.0	-8.0	3,092-4,131	-223	-297
Staff Counsel	—	-1.0	-1.0	3,651-4,008	-44	-44

* Dollars in thousands, except in Salary Range.

Governor's Office
0690 OFFICE OF EMERGENCY SERVICES—Continued

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
Staff Svcs Analyst-Gen	—	-7.0	-9.0	\$2,507-3,957	-\$211	-\$271
Prog Techn	—	-1.0	-1.0	2,029-2,648	-24	-24
Ofc Asst-Typing	—	-3.0	-4.0	1,908-2,465	-69	-92
Emergency, Operations, Planning and Training:						
C.E.A. I	—	—	-1.0	5,493-6,975	—	-66
Emergency Mgt Coord Instructor II	—	-3.0	-3.0	4,876-5,888	-176	-176
Prog Mgr I	—	—	-1.0	4,629-5,591	—	-56
Staff Info Sys Analyst	—	-1.0	-1.0	4,507-5,480	-54	-54
EMC/Instructor I	—	-1.0	-1.0	4,441-5,357	-53	-53
Emergency Svcs Coord	—	—	-6.0	3,335-4,853	—	-240
Assoc Govtl Prog Analyst	—	-2.0	-2.0	3,915-4,759	-94	-94
Research Analyst II	—	—	-1.0	2,764-4,155	—	-33
Staff Svcs Analyst-Gen	—	-1.0	-3.0	2,507-3,957	-30	-90
Ofc Techn-Typing	—	-2.0	-2.0	2,348-2,855	-56	-56
Sheetfed Offset Press Opr I	—	-1.0	-1.0	2,320-2,820	-28	-28
Ofc Asst-Typing	—	—	-1.0	1,908-2,465	—	-23
Administration/Executive—Distributed Administration:						
Asst Director Legislative Affs	—	—	-1.0	5,318-5,478	—	-64
Assoc Govtl Prog Analyst	—	—	-2.0	3,915-4,759	—	-94
Assoc Pers Analyst	—	—	-1.0	3,915-4,759	—	-47
Info Ofcr I	—	—	-1.0	3,915-4,759	—	-47
Staff Svcs Analyst-Gen	—	—	-1.0	2,507-3,957	—	-30
Ofc Techn-Typing	—	—	-1.0	2,348-2,855	—	-28
Acctg Techn	—	—	-1.0	2,348-2,855	—	-28
Ofc Asst-Typing	—	—	-1.0	1,908-2,465	-5	-23
Total	—	-36.0	-63.0	—	-\$1,422	-\$2,460
Total Adjustments	—	-45.0	-72.0	—	-\$1,821	-\$2,859
TOTALS, SALARIES AND WAGES	497.7	492.8	465.8	\$27,152	\$27,053	\$26,495

STATE BUILDING PROGRAM
EXPENDITURES

Actual
2001-02* Estimated
2002-03* Proposed
2003-04*

80 CAPITAL OUTLAY**Major Budget Adjustment Proposed for 2003-04**

- \$235,000 General Fund for design of a perimeter fence at the Headquarters and State Operations Center.

PROGRAM ELEMENTS**Major Projects**

80.10.001 Sacramento-OES Headquarters and State Operations Center	\$3,310	\$1,878	—
80.10.008 Headquarters Perimeter Fence	—	—	\$235 ^{PWg}
TOTALS, EXPENDITURES, CAPITAL OUTLAY	\$3,310	\$1,878	\$235
0001 General Fund	3,310	1,878	235

RECONCILIATION WITH APPROPRIATIONS**3 CAPITAL OUTLAY****0001 General Fund****APPROPRIATIONS**

301 Budget Act appropriation	—	—	\$235
Prior year balances available:			
Item 0690-301-0001, Budget Act of 2000	—	\$1,878	—
Augmentation per Government Code Sections 16352, 16409, and 16354	\$5,188	—	—
Totals Available	\$5,188	\$1,878	\$235
Balance available in subsequent years	-1,878	—	—
TOTALS, EXPENDITURES	\$3,310	\$1,878	\$235
TOTALS, EXPENDITURES, ALL FUNDS (Capital Outlay)	\$3,310	\$1,878	\$235

* Dollars in thousands, except in Salary Range.

0695 NATURAL DISASTER ASSISTANCE

The Loma Prieta earthquake struck the Greater San Francisco-Oakland Bay Area on October 17, 1989, causing several billion dollars worth of damage to private and public property and disrupting the lives of hundreds of thousands of Californians. As part of the response to the earthquake, the Governor called a Special Session of the Legislature on November 2, 1989 to provide funding and aid for victims of the earthquake and to restore public property damaged or destroyed by the earthquake.

As a result of the high cost of this disaster, a special one-quarter cent state sales tax was enacted and collected from December 1, 1989 through December 31, 1990. These receipts are maintained in the Disaster Relief Fund and are used for the various recovery and assistance programs for individuals, as well as local and state governmental entities. State agencies which have utilized these funds for Loma Prieta recovery programs include the Departments of Transportation, Housing and Community Development, Commerce, and Social Services, as well as the Office of Emergency Services (OES) and the Board of Control. Specific information about these programs may be obtained from those agencies.

This exhibit displays the current status of the Disaster Relief Fund. During the 1996-97 and prior fiscal years, monies from this fund were allocated by the Department of Finance to OES on an as-needed basis. Beginning with the 1997-98 fiscal year, expenditures from the Disaster Relief Fund were proposed by the OES through a Budget Act appropriation and are included in OES's budget.

RECONCILIATION WITH APPROPRIATIONS

Informational Display

1 STATE OPERATIONS

0372 Disaster Relief Fund *

APPROPRIATIONS	2001-02*	2002-03*	2003-04*
102 Budget Act appropriation, Item 0690-102-0372.....	\$90	—	—

FUND CONDITION STATEMENT

0372 Disaster Relief Fund *

	2001-02*	2002-03*	2003-04*
BEGINNING BALANCE.....	\$101	\$11	\$11
Prior year adjustments	—	—	—
Balance, Adjusted.....	\$101	\$11	\$11
EXPENDITURES			
0690 Office of Emergency Services (Local Assistance).....	90	—	—
FUND BALANCE.....	\$11	\$11	\$11
Reserve for economic uncertainties	11	11	11

0750 OFFICE OF THE LIEUTENANT GOVERNOR

Under California's Constitution, the Lieutenant Governor serves as Acting Governor whenever the Governor is absent from the state, and automatically becomes Governor if a vacancy occurs in the Office of Governor. The Lieutenant Governor is also President of the Senate and votes in case of a tie.

The Lieutenant Governor serves as a voting member of the Board of Regents of the University of California and a voting member of the Board of Trustees of the California State University system.

The Lieutenant Governor also serves on, and rotates with the State Controller, as chair of the three-member State Lands Commission, which oversees control and leasing of millions of acres of state-owned land, including offshore oil resources, as well as use and permitting for all navigable waterways in California. The Commission also manages state land-use planning and revenues, and related interstate issues.

In addition, under state statutes the Lieutenant Governor chairs the California Commission for Economic Development, which provides support and guidance for the development of California's economy. The Lieutenant Governor is also a member of the California State World Trade Commission, the State Job Training Coordinating Council, and the California Emergency Council.

Major Budget Adjustments Proposed for 2002-03

- Other Reductions
 - A reduction of \$499,000 General Fund and 9.0 personnel years pursuant to Control Section 31.60.
- An increase of \$499,000 General Fund pursuant to Control Section 31.70.

Major Budget Adjustments Proposed for 2003-04

- Other Reductions
 - A reduction of \$499,000 General Fund and 9.0 personnel years pursuant to Control Section 31.60.
- An increase of \$499,000 General Fund pursuant to Control Section 31.70.

Authority

Constitution, Article V, Sections 9, 10; Article IX, Section 9. Education Code Section 66602; Government Code Sections 8704, 8575, 15364.2 and 14999 through 14999.8; Public Resources Code Section 6101; Unemployment Insurance Code Section 15036; Vehicle Code Section 2600.

For the list of standard (lettered) footnotes, see the end of the Governor's Budget.

* Dollars in thousands, except in Salary Range.

0750 OFFICE OF THE LIEUTENANT GOVERNOR—Continued

SUMMARY OF PROGRAM
REQUIREMENTS

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
10 General Activities	33.3	21.7	20.7	\$2,536	\$2,531	\$2,536
TOTALS, PROGRAMS.....	33.3	21.7	20.7	\$2,536	\$2,531	\$2,536
0001 General Fund.....				2,536	2,531	2,536

SUMMARY BY OBJECT
1 STATE OPERATIONS

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A)	33.3	32.3	31.3	\$1,667	\$1,667	\$1,725
Total Adjustments	—	—9.0	—9.0	—	—407	—407
Estimated Salary Savings	—	—1.6	—1.6	—	—83	—86
Net Totals, Salaries and Wages	33.3	21.7	20.7	\$1,667	\$1,177	\$1,232
Staff Benefits	—	—	—	348	208	220
Totals, Personal Services	33.3	21.7	20.7	\$2,015	\$1,385	\$1,452
OPERATING EXPENSES AND EQUIPMENT				\$521	\$1,146	\$1,084
TOTALS, EXPENDITURES				\$2,536	\$2,531	\$2,536

RECONCILIATION WITH APPROPRIATIONS
1 STATE OPERATIONS
0001 General Fund

	2001-02*	2002-03*	2003-04*
APPROPRIATIONS			
001 Budget Act appropriation	\$2,609	\$2,461	\$2,536
Allocation for employee compensation	—	12	—
Adjustment per Section 3.60	48	58	—
Adjustment per Section 3.90	—50	—	—
Adjustment per Section 4.60	12	—	—
Adjustment per Section 4.00	—16	—	—
Allocation for Americans with Disabilities Act (ADA) Barrier Removal	1	—	—
Adjustment per Section 3.20 as added by Chapter 1, Statutes of 2002, Third Extraordinary Session	—68	—	—
Adjustment per Section 31.60	—	—499	—
Adjustment per Section 31.70	—	499	—
TOTALS, EXPENDITURES	\$2,536	\$2,531	\$2,536
TOTALS, EXPENDITURES, ALL FUNDS (State Operations).....	\$2,536	\$2,531	\$2,536

CHANGES IN
AUTHORIZED POSITIONS

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
Totals, Authorized Positions	33.3	32.3	31.3	\$1,667	\$1,667	\$1,725
Salary adjustments	—	—	—	—	—	—
Totals, Adjusted Authorized Positions	33.3	32.3	31.3	\$1,667	\$1,667	\$1,725
Adjustment per Control Section 31.60:				Salary Range		
Prin Asst	—	—2.0	—2.0	5,878–7,105	—142	—142
Sr Adm Asst	—	—1.0	—1.0	4,821–6,154	—58	—58
Adm Asst II	—	—1.0	—1.0	3,966–5,062	—48	—48
Secty II	—	—2.0	—2.0	3,509–4,062	—66	—66
Adm Asst I	—	—2.0	—2.0	2,762–3,964	—66	—66
Secty I	—	—1.0	—1.0	2,220–2,699	—27	—27
Totals	—	—9.0	—9.0	—	—\$407	—\$407
Total Adjustments	—	—9.0	—9.0	—	—\$407	—\$407
TOTALS, SALARIES AND WAGES	33.3	23.3	22.3	\$1,667	\$1,260	\$1,318

* Dollars in thousands, except in Salary Range.

0820 DEPARTMENT OF JUSTICE

The constitutional office of the Attorney General, as chief law officer of the state, has the responsibility to see that the laws of California are uniformly and adequately enforced. This responsibility is fulfilled through the diverse programs of the Department of Justice.

The Department of Justice is responsible for providing skillful and efficient legal services on behalf of the people of California. The Attorney General represents the people in all matters before the Appellate and Supreme Courts of California and the United States; serves as legal counsel to state officers, boards, commissions and departments; represents the people in actions to protect the environment and to enforce consumer, antitrust and civil rights laws; and assists district attorneys in the administration of justice. The department also coordinates efforts to address the statewide narcotic enforcement problem; assists local law enforcement in the investigation and analysis of crimes; provides person and property identification and information services to criminal justice agencies; supports the telecommunications and data processing needs of the California criminal justice community; and pursues projects designed to protect the people of California from fraudulent, unfair and illegal activities.

SUMMARY OF PROGRAM

REQUIREMENTS		01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
11.01	Directorate and Administration	232.2	284.4	285.0	\$23,565	\$25,527	\$23,935
11.02	Distributed Directorate and Administration	—	—	—	-23,565	-24,445	-23,935
12.01	Legal Support and Technology	691.8	667.8	650.2	43,030	42,140	41,837
12.02	Distributed Legal Support and Technology	—	—	—	-43,030	-42,140	-41,837
25	Executive Programs	93.9	118.9	116.7	15,470	17,222	15,000
30	Civil Law	574.6	515.4	496.3	99,588	107,174	105,357
40	Criminal Law	652.1	650.3	649.6	99,691	107,879	96,632
45	Public Rights	267.4	299.8	287.3	56,144	56,417	53,592
50	Law Enforcement	1,285.9	1,261.7	1,191.6	156,344	164,895	151,959
60	California Justice Information Services	1,304.9	1,349.4	1,224.9	155,134	157,040	152,546
65	Gambling	130.0	139.7	138.0	11,555	14,745	14,140
70	Firearms	78.1	98.9	97.1	7,447	11,356	14,465
98	State-Mandated Local Programs	—	—	—	14,877	3	3
TOTALS, PROGRAMS		5,310.9	5,386.3	5,136.7	\$616,250	\$637,813	\$606,694
Less amount funded in the Political Reform Act		—	—	—	(216)	(216)	—
NET TOTALS, PROGRAMS		5,310.9	5,386.3	5,136.7	\$616,250	\$637,813	\$606,694
0001	General Fund				336,436	316,408	302,046
0012	Attorney General Antitrust Account				1,085	1,127	1,133
0014	Hazardous Waste Control Account				1,650	1,683	1,693
0015	Firearms Safety Training Fund Special Account				469	235	—
0017	Fingerprint Fees Account				58,575	56,791	58,078
0032	Firearms Safety Account				313	326	318
0044	Motor Vehicle Account, State Transportation Fund				19,605	19,960	20,097
0142	Department of Justice Sexual Habitual Offender Fund				2,069	2,519	2,506
Less funding provided by General Fund					-22	—	—
0158	Travel Seller Fund				823	981	977
0195	Conservatorship Registry Fund				45	48	48
0214	Restitution Fund				3,000	3,000	—
0255	Department of Justice DNA Testing Fund				225	225	225
Less funding provided by General Fund					-235	-225	-225
0256	Sexual Predator Public Information Fund				51	54	54
0367	Indian Gaming Special Distribution Fund				7,723	10,188	9,971
0378	False Claims Act Fund				7,381	10,893	11,089
0460	Dealers' Record of Sale Special Account				7,928	8,587	8,895
0557	Toxic Substances Control Account				1,961	2,015	2,028
0566	Department of Justice Child Abuse Fund				299	354	309
0567	Gambling Control Fund				5,240	5,354	5,363
0569	Gambling Control Fines and Penalties Account				37	303	26
0641	Domestic Violence Restraining Order Reimbursement Fund				1,894	1,918	2,058
0890	Federal Trust Fund				36,779	29,837	27,163
0942	State Asset Forfeiture Account, Special Deposit Fund				469	491	494
0942	Federal Asset Forfeiture Account, Special Deposit Fund				1,899	3,850	1,514
0942	Lake Davis Northern Pike Eradication Relief Account, Special Deposit Fund				30	843	69
0995	Reimbursements				118,405	146,337	136,048
1008	Firearm Safety and Enforcement Special Fund				—	2,656	2,664
1009	Special Telephone Solicitors Fund				—	8,224	8,515
3016	Missing Persons DNA Data Base Fund				2,116	2,831	3,038
3053	Public Rights Law Enforcement Special Fund				—	—	500

For the list of standard (lettered) footnotes, see the end of the Governor's Budget.

* Dollars in thousands, except in Salary Range.

0820 DEPARTMENT OF JUSTICE—Continued**11 DIRECTORATE AND ADMINISTRATION****Program Objectives Statement**

The Directorate and Administration divisions of the Department of Justice consist of the Attorney General's Executive Office, which maintains overall direction and administration of the diverse programs and projects of the department, the Affirmative Action Office and the Opinion Unit. The Opinion Unit performs the Attorney General's duty under Government Code Section 12519 to provide written opinions to designated public officers on questions of law relating to their respective offices. This unit drafts all formal opinions issued by the Attorney General, most of which are published. Also within this program is the Administrative Services Division which provides fiscal, personnel, and technical support activities for the entire department.

Major Budget Adjustment Proposed for 2003–04

- Other Reductions
- \$600,000 General Fund for operating and equipment expenses.

12 DIVISION OF LEGAL SUPPORT AND TECHNOLOGY**Program Objectives Statement**

The Division of Legal Support and Technology encompasses a broad scope of programs and services, including information technology services; legal research; large document case indexing, automated trial presentation, and litigation support services; case management; orientation and training services to all legal office employees with special focus on legal secretaries and newly appointed deputies; legal secretarial services; and administrative functions essential to the operation of a law firm.

Major Budget Adjustment Proposed for 2003–04

- Other Reductions
- \$270,000 and 2.9 personnel years for legal support to the department.

25 EXECUTIVE PROGRAMS**Program Objectives Statement**

The primary responsibility of the Division of Executive Programs is the establishment and maintenance of communications between the department and the public, the news media, the Legislature, and law enforcement. The division consists of the Legislative Unit; the Crime Prevention Center; the Public Inquiry Unit; the Office of Community and Consumer Affairs; Press, Communications and Media; Protective Services and Special Liaisons; the Office of Native American Affairs; the Office of Training and Professional Development; and the Special Assistant Attorneys General.

Major Budget Adjustment Proposed for 2003–04

- Other Reductions
- \$1,800,000 General Fund and 0.9 personnel year for operating expenses and local assistance.

30 CIVIL LAW**Program Objectives Statement**

The Civil Law Program protects and preserves the public interests by providing skilled legal services to all state agencies and Constitutional Officers. The Civil Law Program provides specialized services in the following areas: Licensing; Government Law; False Claims; Business and Tax; Health, Education and Welfare; Health Quality Enforcement; Tort and Condemnation; and Employment, Regulation and Administration.

Major Budget Adjustment Proposed for 2002–03

- An augmentation of \$703,000 General Fund authority to fund external consultant expenses needed to continue the defense of *Hyatt v. Franchise Tax Board*.

Major Budget Adjustments Proposed for 2003–04

- Other Reductions
- A reduction of 4.8 personnel years and \$1,815,000 General Fund for consulting costs and operating expenses and equipment.
- Augmentation of \$1,254,000 General Fund and 3.8 personnel years on a one-year limited-term basis, and outside expert counsel fees (\$591,000) to continue the State's defense in *Williams v. State of California*.
- One-year augmentation of \$5,724,000 General Fund to fund specialist counsel for the Lloyd's of London Litigation.
- Continuation of \$766,000 General Fund for external consultants in the Capitol Crash litigation case.
- An augmentation of \$2,523,000 General Fund and 1.3 two-year limited-term positions to continue the defense of *Hyatt v. Franchise Tax Board*.

Authority

The legal authority for this program is found in Article V, Section 13 of the California Constitution, as well as various sections of the Government Code including Sections 11042, 11043, 11157, 11522, 12511, 12512, and 12519.

40 CRIMINAL LAW**Program Objectives Statement**

The Criminal Law Program represents the state in all criminal matters before the appellate and supreme courts and defends the state and its officers in actions filed by state prisoners under the Federal Civil Rights Act. This program also fulfills the Attorney General's responsibilities of assisting district attorneys in cases for which they are disqualified, and conducts criminal investigations and prosecutions of those engaged in illegal activities

* Dollars in thousands, except in Salary Range.

0820 DEPARTMENT OF JUSTICE—Continued

where local resources are inadequate to perform these functions. Additional responsibilities include: enforcing the Political Reform Act, advising the Governor on extradition matters, prosecuting criminal actions involving Medi-Cal provider fraud and patient abuse, investigating and prosecuting elder abuse crimes, the investigation and prosecution and coordination of litigation involving white-collar crime, high-tech/computer crime and financial crimes against the elderly.

Major Budget Adjustment Proposed for 2002–03

- An augmentation of \$10,726,000 General Fund for the Correctional Law Section.

Major Budget Adjustments Proposed for 2003–04

- Other Reductions
 - A reduction of 0.9 personnel year and \$4,795,000 General Fund for operating expenses and equipment, program operations, and consulting costs.
 - Augmentation of \$545,000 General Fund, \$1,634,000 Federal Trust Fund and 19.0 personnel years for the Bureau of Medi-Cal Fraud and Elder Abuse.
 - An augmentation of \$248,000 False Claims Fund, \$745,000 Federal Trust Fund and 7.6 personnel years to the Bureau of Medi-Cal Fraud and Elder Abuse.
 - Augmentation of \$4,263,000 General Fund for the Correctional Law Section.

Authority

The legal authority for this program is found in Article V, Section 13 of the California Constitution, in Government Code Sections 995, 996, 12511, 12512, 12550, 83116, 91001(a), and 91003, and in Penal Code Sections 1256 and 1548.3.

45 PUBLIC RIGHTS**Program Objectives Statement**

The Public Rights element protects and preserves the public interest by providing skilled legal services to all state agencies and Constitutional Officers. The Public Rights Program provides specialized services in the following areas: Civil Rights Enforcement; Charitable Trust (including Charitable Trust Registration); Natural Resources; Indian and Gaming Law; Environmental Law; Land Law; Consumer Law; Antitrust Law; and Tobacco Litigation Enforcement.

Major Budget Adjustments Proposed for 2003–04

- Other Reductions
 - A reduction of 2.9 personnel years and \$2,938,000 General Fund.
 - Augmentation of \$315,000 in reimbursement authority and 1.9 personnel years to continue to provide legal representation to the CALFED program.
 - An augmentation of \$9,491,000 General Fund and 21.9 personnel years, on a two-year limited-term basis, to continue efforts to ensure competitive energy markets and restore reliable energy supplies for the people of California.

Authority

The legal authority for this program is found in Article V, Section 13 of the California Constitution, as well as various sections of the Government Code including Sections 11042, 11043, 11157, 11522, 12511, 12512, and 12519.

50 LAW ENFORCEMENT**Program Objectives Statement**

The Division of Law Enforcement is organized into five elements. The Bureau of Investigation conducts criminal investigations of statewide importance and provides investigative services to criminal justice agencies, public agencies and to the Department of Justice in criminal cases. The Bureau of Narcotic Enforcement combats the state's narcotic problem by providing leadership, coordination, and support to law enforcement through 9 regional offices and 39 multi-agency drug task forces, special operations units, drug diversion, violence suppression teams, clandestine laboratory teams, and crackdown teams. The Bureau of Forensic Services provides evaluation and analysis of physical evidence including expert court testimony to state and local law enforcement agencies by operating 11 specialized laboratories serving 46 counties as well as a forensic training facility and a DNA laboratory that is compiling and maintaining a database of sex and violent offenders. The Western States Information Network provides an automated database of suspected narcotic traffickers for member agencies in Alaska, Hawaii, California, Oregon, and Washington. The Criminal Intelligence Bureau provides timely collection, coordination, analysis, investigation, and dissemination of criminal intelligence regarding organized crime, street gangs, and terrorist activity to federal, state, and local law enforcement agencies.

Major Budget Adjustment Proposed for 2002–03

- An augmentation of \$786,000 in Federal Trust Fund for the Western States Information Network (WSIN).

Major Budget Adjustments Proposed for 2003–04

- Other Reductions
 - A reduction of 12.4 personnel years and \$8,675,000 General Fund.
 - Augmentation of \$992,000 in reimbursement authority and 0.9 personnel year for the Bureau of Narcotic Enforcement's continued participation in High Intensity Drug Traffic Area and other reimbursable task forces.
 - An augmentation of \$974,000 in reimbursement authority to provide investigative services to the Department of Conservation for its beverage recycling fraud program.
 - Augmentation of \$842,000 in Federal Trust Fund authority for the Western States Information Network (WSIN).
 - Augmentation of \$1,500,000 General Fund and 13.3 personnel years to address workload associated with Criminalistics DNA Program.

0820 DEPARTMENT OF JUSTICE—Continued**60 CALIFORNIA JUSTICE INFORMATION SERVICES****Program Objectives Statement**

The Division of California Justice Information Services provides criminal justice intelligence, information and identification services to law enforcement, regulatory agencies and the public. These primary services are carried out by three major functional areas: The Bureau of Criminal Identification and Information maintains and administers the fingerprint identification system and the criminal history record system. The Bureau of Criminal Information and Analysis maintains and administers data bases on persons, property, and firearms. The Hawkins Data Center operates the Criminal Justice Information System (CJIS) and the California Law Enforcement Telecommunications System (CLETS).

Major Budget Adjustment Proposed for 2002–03

- A one-time augmentation of \$2,453,000 Reimbursement authority to continue implementation of the Juvenile Accountability Incentive Grant program to purchase palm print hardware, software, and programming.

Major Budget Adjustments Proposed for 2003–04

- Other Reductions
 - A reduction of \$1.273 million General Fund, a reduction of \$2.207 million Reimbursement authority, and the reduction of 53 positions to reflect the transfer of the Child Support Program to the Department of Child Support Services.
 - A reduction of 13.7 personnel years and \$1,950,000 General Fund.
 - An augmentation of \$1,455,000 Fingerprint Fees Account to implement Chapter 918, Statutes of 2002 that requires federal level Criminal Offender Record Information checks on all relative/emergency placement prospects.
 - A one-time augmentation of \$2,200,000 Federal Trust Fund and 0.9 personnel year to implement Year 8 of the National Criminal History Improvement Program.
 - A one-time augmentation of \$2,497,000 Reimbursement authority to continue implementation of the Juvenile Accountability Incentive Grant program to purchase palm print hardware, software, and programming.
 - An augmentation of \$282,000 General Fund and 4.8 personnel years to process ongoing workload associated with the Child Protection Program.

65 DIVISION OF GAMBLING CONTROL**Program Objectives Statement**

Pursuant to Chapter 867, Statutes of 1997 (SB 8), the Gambling Control Act and in accordance with regulations and related gaming laws, the Division of Gambling Control investigates the qualifications of individuals who apply for state gambling licenses and monitors the conduct of these licensees to ensure compliance.

Proposition 1A, which passed in March 2000, amended the California Constitution to permit Class III (Nevada-style) gambling on Indian lands providing that such activities are authorized by a tribal ordinance and conducted in conformity with a gaming compact entered into between the Tribe and the State. The Division of Gambling Control will ensure that each tribe is in compliance with all aspects of their compact. In addition, in a joint effort with compacted tribes, the State will safeguard tribal gaming activities from criminal and other undesirable elements by making sure that licenses are issued only to suitable individuals.

Authority

The Division is established pursuant to the provisions of Chapter 867 Statutes of 1997.

70 FIREARMS DIVISION**Program Objectives Statement**

The Dangerous Weapons Control Law, Part 4, Title 2, of the California Penal Code, sections 12000 et seq., and relevant portions of the Welfare and Institutions Code contain the statutory authority for Firearms Division activities in the oversight and regulation of firearms in California. The Firearms Division conducts firearms eligibility reviews to identify persons determined ineligible to acquire or possess firearms and/or other dangerous weapons or carry concealed weapons; processes licenses/permits to possess, manufacture or sell dangerous weapons; administers the handgun safety certificate, centralized list, gun show producer and assault weapon registration programs; provides information to client agencies and firearms dealers; conducts firearms dealer and manufacturer inspections; and administers the armed prohibited, safe handgun and firearms safety device programs. Sworn personnel also investigate violations, make arrests, serve warrants and assist prosecutors at state and federal levels regarding firearms laws related prosecutions.

Major Budget Adjustments Proposed for 2003–04

- Other Reductions
 - A reduction of 1.9 personnel years and \$114,000 General Fund.
 - An augmentation of \$180,000 Dealers' Record of Sale Fund to meet the objectives set forth by Assembly Bill 2902 (Chapter 912, Statutes of 2002), which modifies the testing requirements of handguns.
 - Augmentation of \$165,000 Dealers' Record of Sale Fund and 0.9 personnel year to meet the requirements of Assembly Bill 2580 (Chapter 910, Statutes of 2002), which requires specified inspections related to dangerous weapon permittees/licensees.

PROGRAM BUDGET DETAIL**PROGRAM REQUIREMENTS****11 DIRECTORATE AND ADMINISTRATION**

	2001–02*	2002–03*	2003–04*
11.01 Directorate and Administration	\$23,565	\$25,527	\$23,935
(Directorate)	3,539	2,198	2,104
(Administration)	20,026	22,247	21,831
11.02 Distributed Directorate and Administration	–23,565	–24,445	–23,935
1009 Special Telephone Solicitor Fund	–	1,082	–

* Dollars in thousands, except in Salary Range.

0820 DEPARTMENT OF JUSTICE—Continued

PROGRAM REQUIREMENTS

12 DIVISION OF LEGAL SUPPORT AND TECHNOLOGY

	2001-02*	2002-03*	2003-04*
12.01 Legal Support and Technology	\$43,030	\$42,140	\$41,837
12.02 Distributed Legal Support Technology	-43,030	-42,140	-41,837

PROGRAM REQUIREMENTS

25 EXECUTIVE PROGRAMS

State Operations:

0001 General Fund	11,262	11,288	10,784
0012 Attorney General Antitrust Account	2	3	3
0014 Hazardous Waste Control Account	3	5	5
0017 Fingerprint Fees Account	112	231	233
0044 Motor Vehicle Account, State Transportation Fund	41	63	63
0142 Department of Justice Sexual Habitual Offender Fund	5	7	7
0158 Travel Seller Fund	2	3	3
0367 Indian Gaming Special Distribution Fund	17	29	29
0557 Toxic Substances Control Account	4	6	6
0567 Gambling Control Fund	13	19	19
0995 Reimbursements	1,090	1,184	983
1009 Special Telephone Solicitors Fund	-	2,965	2,865

Totals, State Operations

\$12,551	\$15,803	\$15,000
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Local Assistance:

0001 General Fund	2,919	1,419	-
0995 Reimbursements	-	-	-

Totals, Local Assistance

\$2,919	\$1,419	-
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ELEMENT REQUIREMENTS

25.10 Executive

State Operations:

0001 General Fund	3,011	820	823
0017 Fingerprint Fees Account	3,011	766	769
0367 Indian Gaming Special Distribution Account	-	51	51
	-	3	3

25.20 Legislative Unit

State Operations:

0001 General Fund	741	723	726
25.30 Crime Prevention Center	741	723	726
	7,427	8,606	6,463

State Operations:

0001 General Fund	3,418	6,003	5,480
0995 Reimbursements	1,090	1,184	983

Local Assistance:

0001 General Fund	2,919	1,419	-
0995 Reimbursements	-	-	-

25.40 Public Inquiry Unit

State Operations:

0001 General Fund	742	3,675	3,576
0001 General Fund	742	710	711
1009 Special Telephone Solicitors Fund	-	2,965	2,865

25.50 Community and Consumer Affairs

State Operations:

0001 General Fund	105	114	114
25.60 Press, Communications, and Media	105	114	114
	556	602	606

State Operations:

0001 General Fund	556	602	606
25.70 Special Assistant Attorney General	1,411	1,120	1,125

State Operations:

0001 General Fund	1,411	1,120	1,125
25.80 Office of Training and Professional Development	780	771	773

State Operations:

0001 General Fund	581	570	571
0012 Attorney General Antitrust Account	2	2	2
0014 Hazardous Waste Control Account	3	3	3
0017 Fingerprint Fees Account	112	114	115
0044 Motor Vehicle Account, State Transportation Fund	41	41	41
0142 Department of Justice Sexual Habitual Offender Fund	5	5	5
0158 Travel Seller Fund	2	2	2
0367 Indian Gaming Special Distribution Fund	17	17	17
0557 Toxic Substances Control Account	4	4	4
0567 Gambling Control Fines and Penalties	13	13	13

* Dollars in thousands, except in Salary Range.

0820 DEPARTMENT OF JUSTICE—Continued

	2001-02*	2002-03*	2003-04*
25.90 Office of Native American Affairs	\$194	\$261	\$262
State Operations:			
0001 General Fund	194	261	262
25.95 Program Evaluation and Audit	503	530	532
State Operations:			
0001 General Fund	503	419	420
0012 Attorney General Antitrust Account	—	1	1
0014 Hazardous Waste Control Account	—	2	2
0017 Fingerprint Fees Account	—	66	67
0044 Motor Vehicle Account, State Transportation Fund	—	22	22
0142 Department of Justice Sexual Habitual Offender Fund	—	2	2
0158 Travel Seller Fund	—	1	1
0367 Indian Gaming Special Distribution Fund	—	9	9
0557 Toxic Substances Control Account	—	2	2
0567 Gambling Control Fines and Penalties	—	6	6
PROGRAM REQUIREMENTS			
30 CIVIL LAW	\$99,588	\$107,174	\$105,357
State Operations:			
0001 General Fund	26,511	25,572	24,879
0378 False Claims Act Fund	7,381	10,532	9,996
0995 Reimbursements	65,666	70,227	70,413
Totals, State Operations	\$99,558	\$106,331	\$105,288
Local Assistance:			
0001 General Fund	—	—	—
0942 Lake Davis Northern Pike Eradication Relief Account, Special Deposit Fund	30	843	69
Totals, Local Assistance	\$30	\$843	\$69
ELEMENT REQUIREMENTS			
30.10 Licensing	19,378	17,105	17,162
State Operations:			
0001 General Fund	3,539	1,079	1,089
0995 Reimbursements	15,839	16,026	16,073
30.20 State Government	5,728	5,975	5,216
State Operations:			
0001 General Fund	3,684	3,197	2,450
0995 Reimbursements	2,044	2,778	2,766
30.30 Business and Tax	8,090	8,075	9,365
State Operations:			
0001 General Fund	5,234	5,392	6,680
0995 Reimbursements	2,856	2,683	2,685
30.40 Health, Education, and Welfare	12,009	13,672	13,091
State Operations:			
0001 General Fund	3,646	4,320	3,711
0995 Reimbursements	8,363	9,352	9,380
30.60 Health Quality Enforcement	9,724	9,684	9,713
State Operations:			
0001 General Fund	195	110	111
0995 Reimbursements	9,529	9,574	9,602
30.70 Tort and Condemnation	19,907	25,094	24,111
State Operations:			
0001 General Fund	9,149	10,568	10,315
0995 Reimbursements	10,728	13,683	13,727
Local Assistance:			
0001 General Fund	—	—	—
0942 Lake Davis Northern Pike Eradication Relief Account, Special Deposit Fund	30	843	69
30.80 Employment, Regulation, and Administration	17,371	17,037	16,703
State Operations:			
0001 General Fund	1,064	906	523
0995 Reimbursements	16,307	16,131	16,180
30.90 False Claims	7,381	10,532	9,996
State Operations:			
0378 Attorney General False Claims Act Fund	7,381	10,532	9,996

* Dollars in thousands, except in Salary Range.

0820 DEPARTMENT OF JUSTICE—Continued

PROGRAM REQUIREMENTS

	2001-02*	2002-03*	2003-04*
40 CRIMINAL LAW	\$99,691	\$107,879	\$99,632
State Operations:			
0001 General Fund.....	81,126	88,975	83,378
0378 False Claims.....	—	—	248
0890 Federal Trust Fund.....	14,055	14,975	15,319
0995 Reimbursements.....	665	884	687
Less amount funded in the Political Reform Act.....	(78)	(78)	—
Totals, State Operations.....	\$95,846	\$104,834	\$99,632
Local Assistance:			
0001 General Fund.....	3,845	3,045	—
0641 Domestic Violence Reimbursement Fund.....	—	—	—
Totals, Local Assistance.....	\$3,845	\$3,045	—

ELEMENT REQUIREMENTS

40.10 Appeals, Writs, and Trials.....	65,112	60,254	57,294
State Operations:			
0001 General Fund.....	60,933	57,205	57,289
0995 Reimbursements.....	334	4	5
Less amount funded in the Political Reform Act.....	(78)	(78)	—
Local Assistance:			
0001 General Fund.....	3,845	3,045	—
40.20 Correctional Law.....	12,834	25,500	19,874
State Operations:			
0001 General Fund.....	12,813	25,500	19,874
0995 Reimbursements.....	21	—	—
40.30 Trials and Special Operations.....	2,932	2,075	1,734
State Operations:			
0001 General Fund.....	2,932	1,702	1,561
0995 Reimbursements.....	—	373	173
40.90 Medi-Cal Fraud and Patient Abuse.....	18,813	20,050	20,730
State Operations:			
0001 General Fund.....	4,448	4,568	4,654
0378 False Claims.....	—	—	248
0890 Federal Trust Fund.....	14,055	14,975	15,319
0995 Reimbursements.....	310	507	509

PROGRAM REQUIREMENTS

45 PUBLIC RIGHTS	\$56,144	\$56,417	\$53,592
State Operations:			
0001 General Fund.....	39,478	36,831	33,515
0012 Attorney General Antitrust Account.....	1,083	1,110	1,095
0014 Hazardous Waste Control Account.....	1,647	1,656	1,666
0158 DOJ Travel Seller Fund.....	821	965	961
0195 Conservatory Registry Fund.....	45	47	47
0367 Indian Gaming Special Distribution Fund.....	777	1,171	1,202
0557 Toxic Substances Control Account.....	1,957	1,984	1,997
0567 Gambling Control Fund.....	309	315	316
1009 Special Telephone Solicitors Fund.....	—	1,041	955
3053 Public Rights Law Enforcement Special Fund.....	—	—	500
0995 Reimbursements.....	10,027	11,297	11,338
Totals, State Operations.....	\$56,144	\$56,417	\$53,592

ELEMENT REQUIREMENTS

45.10 Charitable Trust Registry.....	5,479	5,178	4,807
State Operations:			
0001 General Fund.....	4,742	4,037	3,611
0195 Conservatory Registry Fund.....	45	47	47
3053 Public Rights Law Enforcement Special Fund.....	—	—	50
0995 Reimbursements.....	692	1,094	1,099
45.15 Civil Rights Enforcement.....	1,438	1,232	1,184
State Operations:			
0001 General Fund.....	1,438	1,232	1,134
3053 Public Rights Law Enforcement Special Fund.....	—	—	50

* Dollars in thousands, except in Salary Range.

0820 DEPARTMENT OF JUSTICE—Continued

	2001-02*	2002-03*	2003-04*
45.20 Natural Resources.....	\$4,502	\$11,208	\$10,086
State Operations:			
0001 General Fund	—	6,710	5,819
3053 Public Rights Law Enforcement Special Fund	—	—	25
0995 Reimbursements.....	4,502	4,498	4,242
45.25 Indian Gaming	1,528	1,886	1,518
State Operations:			
0001 General Fund	442	400	—
0367 Indian Gaming Special Distribution Fund	777	1,171	1,202
0567 Gambling Control Fund	309	315	316
45.30 Environment.....	6,328	6,642	6,584
State Operations:			
0001 General Fund	2,533	2,477	2,294
0014 Hazardous Waste Control Account.....	1,647	1,656	1,666
0557 Toxic Substances Control Account	1,957	1,984	1,997
3053 Public Rights Law Enforcement Special Fund	—	—	100
0995 Reimbursements.....	191	525	527
45.40 Land Law	4,928	6,470	6,485
State Operations:			
0001 General Fund	3,085	4,186	3,855
3053 Public Rights Law Enforcement Special Fund	—	—	25
0995 Reimbursements.....	1,843	2,284	2,605
45.50 Consumer Law	5,014	6,667	6,453
State Operations:			
0001 General Fund	2,539	2,335	2,243
0158 DOJ Travel Seller Fund	821	965	961
0995 Reimbursements.....	1,654	2,326	2,294
1009 Special Telephone Solicitors Fund	—	1,041	955
45.60 Antitrust.....	14,137	5,476	5,094
State Operations:			
0001 General Fund	11,909	3,796	3,428
0012 Attorney General Antitrust Account	1,083	1,110	1,095
0995 Reimbursements.....	1,145	570	571
45.80 Tobacco	3,080	2,860	2,783
State Operations:			
0001 General Fund	3,080	2,860	2,733
3053 Public Rights Law Enforcement Special Fund	—	—	50
45.90 Energy	9,710	8,798	8,598
State Operations:			
0001 General Fund	9,710	8,798	8,398
3053 Public Rights Law Enforcement Special Fund	—	—	200

PROGRAM REQUIREMENTS

50 LAW ENFORCEMENT	\$156,344	\$164,895	\$151,959
State Operations:			
0001 General Fund	100,203	94,006	96,165
0012 Attorney General Antitrust Account	—	—	21
0214 Restitution Fund	149	150	—
0367 Indian Gaming Special Distribution Fund	329	415	416
0378 False Claims Act Fund	—	—	482
0890 Federal Trust Fund.....	15,709	11,014	8,177
0942 State Asset Forfeiture Account, Special Deposit Fund	469	484	487
0942 Federal Asset Forfeiture Account, Special Deposit Fund	1,899	3,850	1,514
0995 Reimbursements.....	32,394	49,070	41,434
3016 Missing Persons DNA Data Base Fund	2,116	2,831	3,038
Less amount funded in the Political Reform Act	(138)	(138)	—
Totals, State Operations	\$153,268	\$161,820	\$151,734
Local Assistance:			
0001 General Fund	235	225	225
0214 Restitution Fund	2,851	2,850	—
0255 Department of Justice DNA Testing Fund	225	225	225
Less funding provided by General Fund	-235	-225	-225
Totals, Local Assistance	\$3,076	\$3,075	\$225

ELEMENT REQUIREMENTS

50.10 Investigations.....	20,861	17,642	15,737
State Operations:			
0001 General Fund	14,712	12,708	12,320
0012 Attorney General Antitrust Account	—	—	21
0214 Restitution Fund	149	150	—

* Dollars in thousands, except in Salary Range.

0820 DEPARTMENT OF JUSTICE—Continued

	2001-02*	2002-03*	2003-04*
0367 Indian Gaming Special Distribution Fund	\$329	—	—
3053 Public Rights Law Enforcement Special Fund	—	—	\$482
0378 False Claims Act Fund	—	—	482
0995 Reimbursements	2,820	\$1,934	2,914
Less amount funded in the Political Reform Act	(138)	(138)	—
Local Assistance:			
0214 Restitution	2,851	2,850	—
50.15 Mission Support Branch	23,076	15,950	14,936
State Operations:			
0001 General Fund	18,620	10,882	9,651
0890 Federal Trust Fund	835	2,704	2,839
0995 Reimbursements	3,621	2,364	2,446
50.20 Narcotic Enforcement	57,819	52,054	49,631
State Operations:			
0001 General Fund	34,449	29,829	32,785
0890 Federal Trust Fund	10,166	3,337	293
0942 State Asset Forfeiture Account, Special Deposit Fund	469	484	487
0942 Federal Asset Forfeiture Account, Special Deposit Fund	1,899	3,850	1,514
0995 Reimbursements	10,836	14,554	14,552
Local Assistance:			
0001 General Fund	—	—	—
50.30 Forensic Services	46,065	50,885	43,322
State Operations:			
0001 General Fund	32,422	32,370	33,424
0890 Federal Trust Fund	490	91	—
0995 Reimbursements	10,812	15,368	6,635
3016 Missing Persons DNA Data Base Fund	2,116	2,831	3,038
Local Assistance:			
0001 General Fund	235	225	225
0255 Department of Justice DNA Testing Fund	225	225	225
Less funding provided by General Fund	-235	-225	-225
50.60 Western States Information Network	8,523	12,033	12,213
State Operations:			
0890 Federal Trust Fund	4,218	4,882	5,045
0995 Reimbursements	4,305	7,151	7,168
50.70 Criminal Intelligence Bureau	—	16,331	16,120
State Operations:			
0001 General Fund	—	8,217	7,985
0367 Indian Gaming Special Distribution Fund	—	415	416
0995 Reimbursements	—	7,699	7,719
PROGRAM REQUIREMENTS			
60 CALIFORNIA JUSTICE INFORMATION SYSTEMS	\$155,134	\$157,040	\$152,546
State Operations:			
0001 General Fund	55,737	53,784	48,801
0012 Attorney General Antitrust Account	—	14	14
0014 Hazardous Waste Control Account	—	22	22
0015 Firearm Safety Training Fund Special Account	—	2	—
0017 Fingerprint Fees Account	58,463	56,560	57,845
0032 Firearm Safety Account	—	2	2
0044 Motor Vehicle Account, State Transportation Fund	19,564	19,897	20,034
0142 Department of Justice Sexual Habitual Offender Fund	2,064	2,512	2,499
Less funding provided by General Fund	-22	—	—
0158 Travel Seller Fund	—	13	13
0195 Conservatory Registry Fund	—	1	1
0256 Sexual Predator Public Information Fund	51	54	54
0367 Indian Gaming	—	41	134
0378 False Claims Act Fund	—	361	363
0460 Dealers' Record of Sale Account	1,506	1,669	1,671
0557 Toxic Substances Control Account	—	25	25
0566 Child Abuse Fund	299	354	309
0890 Federal Trust Fund	7,015	3,848	3,667
0942 State Asset Forfeiture Account, Special Deposit Fund	—	7	7
0995 Reimbursements	8,563	12,785	10,297
1009 Special Telephone Solicitors Fund	—	3,136	4,695
Totals, State Operations	\$153,240	\$155,087	\$150,453
Local Assistance:			
0460 Dealers' Record of Sale Account	—	35	35
0641 Domestic Violence Restraining Order Reimbursement Fund	1,894	1,918	2,058
Totals, Local Assistance	\$1,894	\$1,953	\$2,093

* Dollars in thousands, except in Salary Range.

0820 DEPARTMENT OF JUSTICE—Continued**ELEMENT REQUIREMENTS**

	2001-02*	2002-03*	2003-04*
60.10 O. J. Hawkins Data Center	\$36,888	\$45,573	\$45,969
State Operations:			
0001 General Fund	15,548	18,673	17,281
0012 Attorney General Annuity Account	—	14	14
0014 Hazardous Waste Control Account	—	22	22
0015 Firearm Safety Training Fund Special Account	—	2	—
0017 Fingerprint Fees Account	527	851	853
0032 Firearm Safety Account	—	2	2
0044 Motor Vehicle Account, State Transportation Fund	18,303	18,668	18,799
0158 Travel Seller Fund	—	13	13
0195 Conservatory Registry Fund	—	1	1
0367 Indian Gaming Special Distribution Fund	—	41	134
0378 False Claims Act Fund	—	361	363
0460 Dealers' Record of Sale Account	674	782	781
0557 Toxic Substances Control Account	—	25	25
0942 State Asset Forfeiture Account, Special Deposit Fund	—	7	7
0995 Reimbursements	1,836	2,975	2,979
1009 Special Telephone Solicitors Fund	—	3,136	4,695
60.30 Criminal Information and Analysis	18,066	17,827	16,601
State Operations:			
0001 General Fund	12,186	11,061	10,164
0017 Fingerprint Fees Account	901	870	875
0044 Motor Vehicle Account, State Transportation Fund	1,209	1,177	1,183
0142 Department of Justice Sexual Habitual Offender Fund	2,021	2,469	2,456
Less funding provided by General Fund	-22	—	—
0256 Sexual Predator Public Information Fund	48	51	51
0460 Dealers' Record of Sale Account	534	457	458
0566 Child Abuse Fund	294	349	304
0890 Federal Trust Fund	854	1,027	1,027
0995 Reimbursements	41	366	83
60.40 Criminal Identification and Information	90,427	83,765	83,902
State Operations:			
0001 General Fund	24,287	21,312	20,167
0017 Fingerprint Fees Account	54,032	51,135	52,407
0460 Dealers' Record of Sale Account	161	183	184
0890 Federal Trust Fund	6,161	2,821	2,640
0995 Reimbursements	3,892	6,361	6,411
Local Assistance:			
0460 Dealers' Record of Sale Account	—	35	35
0641 Domestic Violence Restraining Order Reimbursement Fund	1,894	1,918	2,058
60.60 Criminal Justice Operation Branch	9,753	9,875	6,074
State Operations:			
0001 General Fund	3,716	2,738	1,189
0017 Fingerprint Fees Account	3,003	3,704	3,710
0044 Motor Vehicle Account, State Transportation Fund	52	52	52
0142 Department of Justice Sexual Habitual Offender Fund	43	43	43
0256 Sexual Predator Public Information Fund	3	3	3
0460 Dealers' Record of Sale Account	137	247	248
0566 Child Abuse Fund	5	5	5
0995 Reimbursements	2,794	3,083	824

PROGRAM REQUIREMENTS

65 GAMBLING	\$11,555	\$14,745	\$14,140
State Operations:			
0367 Indian Gaming Special Distribution Fund	6,600	8,532	8,190
0567 Gambling Control Fund	4,918	5,020	5,028
0569 Gambling Fines and Penalties Account	37	303	26
0995 Reimbursements	—	890	896
Totals, State Operations	\$11,555	\$14,745	\$14,140

PROGRAM REQUIREMENTS

70 FIREARMS	\$7,447	\$11,356	\$14,465
State Operations:			
0001 General Fund	243	1,260	4,296
0015 Firearms Safety Training Fund	469	233	—
0032 Firearm Safety Account	313	324	316
0460 Dealers' Record of Sale Special Account	6,412	6,795	7,092
1008 Firearms Safety and Enforcement	—	2,656	2,664
Totals, State Operations	\$7,437	\$11,268	\$14,368

* Dollars in thousands, except in Salary Range.

0820 DEPARTMENT OF JUSTICE—Continued

Local Assistance:	2001-02*	2002-03*	2003-04*
0001 General Fund	—	—	—
0460 Dealers' Record of Sale Special Account	\$10	\$88	\$97
Totals, Local Assistance	\$10	\$88	\$97

PROGRAM REQUIREMENTS

98 STATE-MANDATED LOCAL PROGRAMS

Local Assistance:			
Chapter 1399, Statutes of 1976—Custody of Minors	\$13,599	\$1	\$1
Chapter 337, Statutes of 1990—Stolen Vehicles	256	1	1
Chapter 1105, Statutes of 1992—Misdemeanors	1,022	1	1
Chapter 1456, Statutes of 1988—Missing Persons Reports	—	—	—
Carry Over from Previous Years:			
Chapter 337, Statutes of 1990—Stolen Vehicles	—	—	—
Chapter 1105, Statutes of 1992—Misdemeanors	—	—	—
Chapter 1399, Statutes of 1976—Custody of Minors	—	—	—
Chapter 1456, Statutes of 1988—Missing Persons Reports	—	—	—
Totals, Local Assistance	\$14,877	\$3	\$3

TOTAL EXPENDITURES

State Operations	\$589,599	\$627,387	\$604,207
Local Assistance	26,651	10,426	2,487
Less amount funded in Political Reform Act.....	(216)	(216)	—
TOTALS, EXPENDITURES	\$616,250	\$637,813	\$606,694

SUMMARY BY OBJECT

1 STATE OPERATIONS

PERSONAL SERVICES	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
Authorized Positions (Equals Sch. 7A)	5,310.9	5,787.8	5,581.0	\$307,524	\$335,900	\$330,000
Total Adjustments	—	—118.0	—116.4	—	—4,239	—2,112
Estimated Salary Savings	—	—283.5	—327.9	—	—16,090	—19,409
Net Totals, Salaries and Wages	5,310.9	5,386.3	5,136.7	\$307,524	\$315,571	\$308,479
Staff Benefits	—	—	—	60,304	80,324	78,478
Totals, Personal Services	5,310.9	5,386.3	5,136.7	\$367,828	\$395,895	\$386,957
OPERATING EXPENSES AND EQUIPMENT				\$221,771	\$231,492	\$217,466
TOTALS, EXPENDITURES				\$589,599	\$627,387	\$604,423
Less amount funded in Political Reform Act.....				(216)	(216)	—216
NET TOTALS, EXPENDITURES (State Operations)				\$589,599	\$627,387	\$604,207

RECONCILIATION WITH APPROPRIATIONS

1 STATE OPERATIONS

0001 General Fund

APPROPRIATIONS	2001-02*	2002-03*	2003-04*
001 Budget Act appropriation	\$314,325	\$289,607	\$298,946
Allocation for employee compensation	915	2,488	—
Allocation for contingencies or emergencies	—	11,429	—
Adjustment per Section 3.60	7,247	5,759	—
Adjustment per Section 3.90	—300	—	—
Adjustment per Section 4.60	475	—	—
Adjustment per Section 4.00	—237	—	—
Allocation for postage rate increases	29	—	—
Allocation for Americans with Disabilities Act (ADA) Barrier Removal	486	—	—
Adjustment per Section 3.20 as added by Chapter 1, Statutes of 2002, Third Extraordinary Session	—9,941	—	—

* Dollars in thousands, except in Salary Range.

0820 DEPARTMENT OF JUSTICE—Continued

	2001-02*	2002-03*	2003-04*
Adjustment per Section 4.20	—	-\$50	—
Transfer to Legislative Claims (9670)	-\$4	—	—
Transfer from Item 8640-001-0001	216	216	—
003 Budget Act appropriation (Lease-Revenue)	1,298	2,228	\$2,872
Allocation for contingencies or emergencies	132	—	—
011 Budget Act appropriation (Loan to Indian Gaming Special Distribution Fund)	(7,809)	—	—
Adjustment per Section 3.60	(259)	—	—
Adjustment per Section 4.00	(-1)	—	—
012 Budget Act appropriation (Transfer to Special Telephone Solicitors Fund)	—	(1,000)	(1,000)
Penal Code Section 290.3	22	—	—
Prior year balances available:			
Chapter 479, Statutes of 2000	117	41	—
Totals Available	\$314,780	\$311,718	\$301,818
Unexpended balance, estimated savings	-180	-2	—
Balance available in subsequent years	-41	—	—
TOTALS, EXPENDITURES	\$314,559	\$311,716	\$301,818
0012 Attorney General Antitrust Account			
APPROPRIATIONS			
001 Budget Act appropriation	\$1,070	\$1,103	\$1,133
Allocation for employee compensation	1	6	—
Adjustment per Section 3.60	14	18	—
TOTALS, EXPENDITURES	\$1,085	\$1,127	\$1,133
0014 Hazardous Waste Control Account			
APPROPRIATIONS			
001 Budget Act appropriation	\$1,613	\$1,642	\$1,693
Allocation for employee compensation	1	9	—
Adjustment per Section 3.60	37	32	—
Adjustment per Section 4.00	-1	—	—
TOTALS, EXPENDITURES	\$1,650	\$1,683	\$1,693
0015 Firearms Safety Training Fund Special Account			
APPROPRIATIONS			
001 Budget Act appropriation	\$456	\$235	—
Allocation for employee compensation	1	—	—
Adjustment per Section 3.60	12	—	—
TOTALS, EXPENDITURES	\$469	\$235	—
0017 Fingerprint Fees Account			
APPROPRIATIONS			
001 Budget Act appropriation	\$57,934	\$56,036	\$58,078
Allocation for employee compensation	90	289	—
Adjustment per Section 3.60	492	478	—
Adjustment per Section 4.60	89	—	—
Adjustment per Section 4.00	-45	—	—
Allocation for postage rate increases	15	—	—
Adjustment per Section 4.20	—	-12	—
011 Budget Act appropriation (Transfer to the General Fund)	—	(2,000)	(2,000)
TOTALS, EXPENDITURES	\$58,575	\$56,791	\$58,078
0032 Firearm Safety Account			
APPROPRIATIONS			
001 Budget Act appropriation	\$309	\$324	\$318
Adjustment per Section 3.60	4	2	—
TOTALS, EXPENDITURES	\$313	\$326	\$318
0044 Motor Vehicle Account, State Transportation Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$19,255	\$19,532	\$20,097
Allocation for employee compensation	44	134	—
Adjustment per Section 3.60	290	297	—

* Dollars in thousands, except in Salary Range.

0820 DEPARTMENT OF JUSTICE—Continued

	2001-02*	2002-03*	2003-04*
Adjustment per Section 4.60	\$40	—	—
Adjustment per Section 4.00	-24	—	—
Adjustment per Section 4.20	—	-\$3	—
TOTALS, EXPENDITURES	\$19,605	\$19,960	\$20,097
0142 Department of Justice Sexual Habitual Offender Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$2,024	\$2,440	\$2,506
Allocation for employee compensation	7	24	—
Adjustment per Section 3.60	40	55	—
Adjustment per Section 4.60	2	—	—
Adjustment per Section 4.00	-4	—	—
TOTALS, EXPENDITURES	\$2,069	\$2,519	\$2,506
Less funding provided by the General Fund	-22	—	—
NET TOTALS, EXPENDITURES	\$2,047	\$2,519	\$2,506
0158 Travel Seller Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$940	\$961	\$977
Allocation for employee compensation	1	5	—
Adjustment per Section 3.60	15	15	—
Prior year balances available:			
Chapter 924, Statutes of 1998	168	—	—
Totals Available	\$1,124	\$981	\$977
Unexpended balance, estimated savings	-301	—	—
TOTALS, EXPENDITURES	\$823	\$981	\$977
0195 Conservatorship Registry Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$45	\$48	\$48
TOTALS, EXPENDITURES	\$45	\$48	\$48
0214 Restitution Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$59	\$54	—
Adjustment per Section 3.60	2	2	—
Revised expenditure authority per Provision 2	89	94	—
TOTALS, EXPENDITURES	\$150	\$150	—
0256 Sexual Predator Public Information Account			
APPROPRIATIONS			
001 Budget Act appropriation	\$49	\$53	\$54
Adjustment per Section 3.60	2	1	—
TOTALS, EXPENDITURES	\$51	\$54	\$54
0367 Indian Gaming Special Distribution Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$7,809	\$9,872	\$9,971
Allocation for employee compensation	43	110	—
Adjustment per Section 3.60	259	208	—
Adjustment per Section 4.00	-1	—	—
Adjustment per Section 4.20	—	-2	—
Totals Available	\$8,110	\$10,188	\$9,971
Unexpended balance, estimated savings	-387	—	—
TOTALS, EXPENDITURES	\$7,723	\$10,188	\$9,971

* Dollars in thousands, except in Salary Range.

0820 DEPARTMENT OF JUSTICE—Continued**0378 False Claims Act Fund**

APPROPRIATIONS	2001-02*	2002-03*	2003-04*
001 Budget Act appropriation	\$9,966	\$10,752	\$11,089
Allocation for employee compensation	11	36	—
Adjustment per Section 3.60	102	105	—
Adjustment per Section 4.00	-4	—	—
Allocation for postage rate increases	5	—	—
011 Budget Act appropriation (Transfer to the General Fund)	—	(2,000)	(2,000)
Totals Available	\$10,080	\$10,893	\$11,089
Unexpended balance, estimated savings	-2,699	—	—
TOTALS, EXPENDITURES	\$7,381	\$10,893	\$11,089

0460 Dealers' Record of Sale Special Account

APPROPRIATIONS			
001 Budget Act appropriation	\$8,047	\$8,222	\$8,763
Allocation for employee compensation	27	81	—
Adjustment per Section 3.60	185	161	—
Adjustment per Section 4.60	1	—	—
Adjustment per Section 4.00	-12	—	—
Allocation for postage rate increases	1	—	—
Totals Available	\$8,249	\$8,464	\$8,763
Unexpended balance, estimated savings	-331	—	—
TOTALS, EXPENDITURES	\$7,918	\$8,464	\$8,763

0557 Toxic Substances Control Account

APPROPRIATIONS			
001 Budget Act appropriation	\$1,916	\$1,966	\$2,028
Allocation for employee compensation	2	11	—
Adjustment per Section 3.60	44	38	—
Adjustment per Section 4.00	-1	—	—
TOTALS, EXPENDITURES	\$1,961	\$2,015	\$2,028

0566 Department of Justice Child Abuse Fund

APPROPRIATIONS			
001 Budget Act appropriation	\$294	\$344	\$309
Allocation for employee compensation	1	4	—
Adjustment per Section 3.60	4	6	—
TOTALS, EXPENDITURES	\$299	\$354	\$309

0567 Gambling Control Fund

APPROPRIATIONS			
001 Budget Act appropriation	\$5,758	\$5,178	\$5,363
Allocation for employee compensation	24	60	—
Adjustment per Section 3.60	182	116	—
Adjustment per Section 4.00	-6	—	—
Allocation for postage rate increases	1	—	—
Totals Available	\$5,959	\$5,354	\$5,363
Unexpended balance, estimated savings	-719	—	—
TOTALS, EXPENDITURES	\$5,240	\$5,354	\$5,363

0569 Gambling Control Fines and Penalties Account

APPROPRIATIONS			
001 Budget Act appropriation	\$37	\$296	\$26
Adjustment per Section 3.60	—	7	—
TOTALS, EXPENDITURES	\$37	\$303	\$26

0890 Federal Trust Fund

APPROPRIATIONS			
001 Budget Act appropriation	\$26,790	\$28,018	\$27,163
Allocation for employee compensation	105	232	—
Adjustment per Section 3.60	661	450	—
Adjustment per Section 4.60	1	—	—

* Dollars in thousands, except in Salary Range.

0820 DEPARTMENT OF JUSTICE—Continued

	2001-02*	2002-03*	2003-04*
Adjustment per Section 4.00	-\$14	-	-
Adjustment per Section 4.20	-	-\$2	-
Budget Adjustment	9,236	1,139	-
TOTALS, EXPENDITURES	\$36,779	\$29,837	\$27,163

0942 Special Deposit Fund

APPROPRIATIONS			
001 Budget Act appropriation	\$1,828	\$4,490	\$1,514
Allocation for employee compensation	11	5	-
Adjustment per Section 3.60	54	-	-
Adjustment per Section 4.00	-1	-	-
Allocation for postage rate increases	7	-	-
011 Budget Act appropriation, State Asset Forfeiture Account	461	466	494
Allocation for employee compensation	2	8	-
Adjustment per Section 3.60	7	17	-
Adjustment per Section 4.00	-1	-	-
Totals Available	\$2,368	\$4,986	\$2,008
Unexpended balance, estimated savings	-	-645	-
TOTALS, EXPENDITURES	\$2,368	\$4,341	\$2,008

0995 Reimbursements

APPROPRIATIONS			
Reimbursements	\$118,405	\$146,337	\$136,048

1008 Firearms Safety and Enforcement Special Fund

APPROPRIATIONS			
001 Budget Act appropriation	-	\$2,630	\$2,664
Allocation for employee compensation	-	4	-
Adjustment per Section 3.60	-	22	-
TOTALS, EXPENDITURES	-	\$2,656	\$2,664

1009 Special Telephone Solicitors Fund

APPROPRIATIONS			
001 Budget Act appropriation	-	\$8,200	\$8,515
Allocation for employee compensation	-	25	-
Adjustment per Section 4.20	-	-1	-
TOTALS, EXPENDITURES	-	\$8,224	\$8,515

3016 Missing Persons DNA Data Base Fund

APPROPRIATIONS			
001 Budget Act appropriation	\$2,850	\$2,819	\$3,038
Allocation for employee compensation	-	2	-
Adjustment per Section 3.60	-	10	-
Totals Available	\$2,850	\$2,831	\$3,038
Unexpended balance, estimated savings	-734	-	-
TOTALS, EXPENDITURES	\$2,116	\$2,831	\$3,038

3053 Public Rights Law Enforcement Special Fund

APPROPRIATIONS			
001 Budget Act appropriation	-	-	\$500
TOTALS, EXPENDITURES	-	-	\$500
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$589,599	\$627,387	\$604,207

SUMMARY BY OBJECT
2 LOCAL ASSISTANCE

	2001-02*	2002-03*	2003-04*
Grants and subventions	\$11,774	\$10,423	\$2,484
State Mandates	14,877	3	3
TOTALS, EXPENDITURES	\$26,651	\$10,426	\$2,487

* Dollars in thousands, except in Salary Range.

0820 DEPARTMENT OF JUSTICE—Continued

RECONCILIATION WITH APPROPRIATIONS

2 LOCAL ASSISTANCE

0001 General Fund

APPROPRIATIONS	2001-02*	2002-03*	2003-04*
101 Budget Act appropriation	\$6,764	\$4,464	—
111 Budget Act appropriation (Transfer to DNA Testing Fund)	225	225	\$225
295 Budget Act appropriation (State Mandates)	14,983	3	3
Penal Code Section 290.3	10	—	—
Chapter 723, Statutes of 2001 (State Mandates)	7,830	—	—
Totals Available	\$29,812	\$4,692	\$228
Unexpended balance, estimated savings	-7,935	—	—
TOTALS, EXPENDITURES	\$21,877	\$4,692	\$228

0214 Restitution Fund

APPROPRIATIONS			
101 Budget Act appropriation	\$2,941	\$2,946	—
Revised expenditure authority per Provision 2	-89	-96	—
Totals Available	\$2,852	\$2,850	—
Unexpended balance, estimated savings	-2	—	—
TOTALS, EXPENDITURES	\$2,850	\$2,850	—

0255 Department of Justice DNA Testing Fund

APPROPRIATIONS			
111 Budget Act appropriation	\$225	\$225	\$225
TOTALS, EXPENDITURES	\$225	\$225	\$225
Less funding provided by the General Fund	-235	-225	-225
NET TOTALS, EXPENDITURES	-\$10	—	—

0460 Dealers' Record of Sale Special Account

APPROPRIATIONS			
101 Budget Act appropriation	\$123	\$123	\$132
Totals Available	\$123	\$123	\$132
Unexpended balance, estimated savings	-113	—	—
TOTALS, EXPENDITURES	\$10	\$123	\$132

0641 Domestic Violence Restraining Order Reimbursement Fund

APPROPRIATIONS			
101 Budget Act appropriation	\$1,918	\$1,918	\$2,058
Totals Available	\$1,918	\$1,918	\$2,058
Unexpended balance, estimated savings	-24	—	—
TOTALS, EXPENDITURES	\$1,894	\$1,918	\$2,058

0942 Special Deposit Fund

APPROPRIATIONS			
Prior year balances available:			
Government Code Section 998	\$942	\$912	\$69
Totals Available	\$942	\$912	\$69
Balance available in subsequent years	-912	-69	—
TOTALS, EXPENDITURES	\$30	\$843	\$69

0995 Reimbursements

APPROPRIATIONS			
Reimbursements	—	—	—
TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)	\$26,651	\$10,426	\$2,487
TOTALS, EXPENDITURES, ALL FUNDS (State Operations and Local Assistance)	\$616,250	\$637,813	\$606,694

* Dollars in thousands, except in Salary Range.

0820 DEPARTMENT OF JUSTICE—Continued

FUND CONDITION STATEMENT

0012 Attorney General Antitrust Account ^s

	2001-02*	2002-03*	2003-04*
BEGINNING BALANCE.....	\$23	\$4	\$11
REVENUES AND TRANSFERS			
Revenues:			
150300 Income from surplus money investments.....	6	6	6
160100 Attorney General proceeds of antitrust actions.....	1,060	1,128	1,128
Totals, Revenues.....	\$1,066	\$1,134	\$1,134
Totals, Resources.....	\$1,089	\$1,138	\$1,145
EXPENDITURES			
Disbursements:			
0820 Department of Justice (State Operations).....	1,085	1,127	1,133
Totals, Expenditures.....	\$1,085	\$1,127	\$1,133
FUND BALANCE.....	\$4	\$11	\$12
Reserve for economic uncertainties.....	4	11	12

0015 Firearms Safety Training Fund Special Account ^s

BEGINNING BALANCE.....	\$262	\$218	—
Prior year adjustments.....	-1	—	—
Balance, Adjusted.....	\$261	\$218	—
REVENUES AND TRANSFERS			
Revenues:			
142500 Miscellaneous services to the public.....	420	262	—
150300 Income from surplus money investments.....	6	—	—
Totals, Revenues.....	\$426	\$262	—
Transfers to Other Funds:			
T01008 Firearms Safety and Enforcement Special Fund per Chapter 940 and 942, Statutes of 2001.....	—	-245	—
Totals, Revenues and Transfers.....	\$426	\$17	—
Totals, Resources.....	\$687	\$235	—
EXPENDITURES			
Disbursements:			
0820 Department of Justice (State Operations).....	469	235	—
Totals, Expenditures.....	\$469	\$235	—
FUND BALANCE.....	\$218	—	—
Reserve for economic uncertainties.....	218	—	—

0017 Fingerprint Fees Account ^s

BEGINNING BALANCE.....	\$23,668	\$10,798	\$5,778
Prior year adjustments.....	-408	—	—
Balance, Adjusted.....	\$23,260	\$10,798	\$5,778
REVENUES AND TRANSFERS			
Revenues:			
131600 Fingerprint ID card fees.....	50,789	53,487	58,188
150300 Income from surplus money investments.....	414	411	279
Totals, Revenues.....	\$51,203	\$53,898	\$58,467
Transfers to Other Funds:			
T00001 General Fund per Section 25.10, Budget Act of 2001.....	-4,900	—	—
T00001 General Fund per Item 0820-011-0017, Budget Act of 2002.....	—	-2,000	-2,000
Totals, Revenues and Transfers.....	\$46,303	\$51,898	\$56,467
Totals, Resources.....	\$69,563	\$62,696	\$62,245

* Dollars in thousands, except in Salary Range.

0820 DEPARTMENT OF JUSTICE—Continued**EXPENDITURES**

Disbursements:

0820 Department of Justice:

State Operations.....

Capital Outlay

Totals, Expenditures.....

FUND BALANCE.....

Reserve for economic uncertainties

0032 Firearms Safety Account ^s

BEGINNING BALANCE.....

Prior year adjustments

Balance, Adjusted.....

REVENUES AND TRANSFERS

Revenues:

142500 Miscellaneous services to the public

150300 Income from surplus money investments

Totals, Revenues

Totals, Revenues and Transfers

Totals, Resources

EXPENDITURES

Disbursements:

0820 Department of Justice (State Operations).....

Totals, Expenditures

FUND BALANCE.....

Reserve for economic uncertainties

0142 Department of Justice Sexual Habitual Offender Fund ^s

BEGINNING BALANCE.....

Prior year adjustments

Balance, Adjusted.....

REVENUES AND TRANSFERS

Revenues:

142500 Miscellaneous services to the public

150300 Income from surplus money investments

Totals, Revenues

Transfers:

Transfers to Other Funds:

T00001 General Fund per Item 0820-011-0142, Budget Act of 2003

Totals, Revenues and Transfers

Totals, Resources

EXPENDITURES

Disbursements:

0820 Department of Justice (State Operations).....

Less funding provided by General Fund

Totals, Expenditures.....

FUND BALANCE.....

Reserve for economic uncertainties

0158 Travel Seller Fund ^s

BEGINNING BALANCE.....

Prior year adjustments

Balance, Adjusted.....

* Dollars in thousands, except in Salary Range.

0820 DEPARTMENT OF JUSTICE—Continued

REVENUES AND TRANSFERS

Revenues:

	2001-02*	2002-03*	2003-04*
142500 Miscellaneous services to the public	\$696	\$725	\$945
150300 Income from surplus money investments	44	44	44
Totals, Revenues	\$740	\$769	\$989
Totals, Resources	\$1,927	\$1,873	\$1,881

EXPENDITURES

Disbursements:

0820 Department of Justice (State Operations)	823	981	977
Totals, Expenditures	\$823	\$981	\$977
FUND BALANCE	\$1,104	\$892	\$904
Reserve for economic uncertainties	1,104	892	904

0195 Conservatorship Registry Fund ^s

BEGINNING BALANCE	\$12	\$13	\$13
Prior year adjustments	1	—	—
Balance, Adjusted	\$13	\$13	\$13

REVENUES AND TRANSFERS

Revenues:

142500 Miscellaneous services to the public	45	48	48
150300 Income from surplus money investments	—	—	—
Totals, Revenues	\$45	\$48	\$48
Totals, Revenues and Transfers	\$45	\$48	\$48
Totals, Resources	\$58	\$61	\$61

EXPENDITURES

Disbursements:

0820 Department of Justice (State Operations)	45	48	48
Totals, Expenditures	\$45	\$48	\$48
FUND BALANCE	\$13	\$13	\$13
Reserve for economic uncertainties	13	13	13

0255 Department of Justice DNA Testing Fund ^s

BEGINNING BALANCE	\$54	\$777	\$777
Prior year adjustments	684	—	—
Balance, Adjusted	\$738	\$777	\$777

REVENUES AND TRANSFERS

Revenues:

142500 Miscellaneous services to the public	—	—	—
150300 Income from surplus money investments	29	—	—
Totals, Revenues	\$29	—	—
Totals, Revenues and Transfers	\$29	—	—
Totals, Resources	\$767	\$777	\$777

EXPENDITURES

Disbursements:

0820 Department of Justice (Local Assistance)	225	225	225
Expenditure Reductions:			
0820 Department of Justice:			
Local Assistance:			
Less funding provided by General Fund	—235	—225	—225
Totals, Expenditures	—\$10	—	—
FUND BALANCE	\$777	\$777	\$777
Reserve for economic uncertainties	777	777	777

* Dollars in thousands, except in Salary Range.

0820 DEPARTMENT OF JUSTICE—Continued

0256 Sexual Predator Public Information Account ^s		2001-02*	2002-03*	2003-04*
BEGINNING BALANCE.....		\$101	\$120	\$73
REVENUES AND TRANSFERS				
Revenues:				
142500	Miscellaneous services to the public	165	221	221
150300	Income from surplus money investments	5	3	3
Totals, Revenues		\$170	\$224	\$224
Transfers to Other Funds:				
T00460 Dealers' Record of Sale Special Account:				
Loan Repayment per Chapter 867, Statutes of 1994		-100	-217	-105
Totals, Revenues and Transfers		\$70	\$7	\$119
Totals, Resources		\$171	\$127	\$192
EXPENDITURES				
Disbursements:				
0820	Department of Justice (State Operations).....	51	54	54
Totals, Expenditures		\$51	\$54	\$54
FUND BALANCE.....		\$120	\$73	\$138
Reserve for economic uncertainties		120	73	138
0288 International Student Exchange ^s				
BEGINNING BALANCE.....		\$26	\$30	\$34
REVENUES AND TRANSFERS				
Revenues:				
142500	Miscellaneous services to the public	3	3	3
150300	Income from surplus money investments	1	1	1
Totals, Revenues		\$4	\$4	\$4
Totals, Revenues and Transfers		\$4	\$4	\$4
Totals, Resources		\$30	\$34	\$38
FUND BALANCE.....		\$30	\$34	\$38
Reserve for economic uncertainties		30	34	38
0378 False Claims Act Fund ^s				
BEGINNING BALANCE.....		\$18,128	\$12,287	\$12,994
Prior year adjustments		-426	-	-
Balance, Adjusted.....		\$17,702	\$12,287	\$12,994
REVENUES AND TRANSFERS				
Revenues:				
150300	Income from surplus money investments	569	500	500
164400	Civil and criminal violation assessments	1,397	13,100	3,000
Totals, Revenues		\$1,966	\$13,600	\$3,500
Transfers to Other Funds:				
T00001 General Fund per Item 0820-011-0378, per Budget Acts of 2002 and 2003.....		-	-2,000	-3,500
Totals, Revenues and Transfers.....		\$1,966	\$11,600	-
Totals, Resources		\$19,668	\$23,887	\$12,994
EXPENDITURES				
Disbursements:				
0820	Department of Justice (State Operations).....	7,381	10,893	11,089
Totals, Expenditures		\$7,381	\$10,893	\$11,089
FUND BALANCE.....		\$12,287	\$12,994	\$1,905
Reserve for economic uncertainties		12,287	12,994	1,905

* Dollars in thousands, except in Salary Range.

0820 DEPARTMENT OF JUSTICE—Continued

0460 Dealers' Record of Sale Special Account ^s		2001-02*	2002-03*	2003-04*
BEGINNING BALANCE.....		\$4,538	\$4,146	\$3,139
Prior year adjustments		65	—	—
Balance, Adjusted.....		\$4,603	\$4,146	\$3,139
REVENUES AND TRANSFERS				
Revenues:				
125700 Other regulatory licenses and permits.....		191	191	191
131600 Fingerprint ID card fees		—	—	—
142500 Miscellaneous services to the public		7,094	7,094	7,094
150300 Income from surplus money investments.....		83	83	83
150500 Interest income from interfund loans.....		—	—	—
161000 Escheat of unclaimed checks and warrants.....		3	3	3
Totals, Revenues		\$7,371	\$7,371	\$7,371
Transfers from Other Funds:				
F00256 Sexual Predator Information Account loan repayment per Chapter 867, Statutes of 1994.....		100	217	105
Totals, Transfers.....		\$100	\$217	\$105
Totals, Revenues and Transfers		\$7,471	\$7,588	\$7,476
Totals, Resources		\$12,074	\$11,734	\$10,615
EXPENDITURES				
Disbursements:				
0820 Department of Justice:				
State Operations.....		7,918	8,464	8,763
Local Assistance		10	123	132
9900 Statewide General Administrative (Pro Rata) (Local Assistance)		—	8	—
Totals, Expenditures.....		\$7,928	\$8,595	\$8,895
FUND BALANCE.....		\$4,146	\$3,139	\$1,720
Reserve for economic uncertainties		4,146	3,139	1,720
0566 Department of Justice Child Abuse Fund ^s				
BEGINNING BALANCE.....		\$410	\$472	\$530
REVENUES AND TRANSFERS				
Revenues:				
142500 Miscellaneous services to the public		349	400	400
150300 Income from surplus money investments.....		12	12	14
Totals, Revenues		\$361	\$412	\$414
Totals, Revenues and Transfers		\$361	\$412	\$414
Totals, Resources		\$771	\$884	\$944
EXPENDITURES				
Disbursements:				
0820 Department of Justice (State Operations).....		299	354	309
Totals, Expenditures		\$299	\$354	\$309
FUND BALANCE.....		\$472	\$530	\$635
Reserve for economic uncertainties		472	530	635
0569 Gambling Control Fines and Penalties Account ^s				
BEGINNING BALANCE.....		\$591	\$562	\$265
Prior year adjustments		—5	—	—
Balance, Adjusted.....		\$586	\$562	\$265
REVENUES AND TRANSFERS				
Revenues:				
150300 Income from surplus money investments.....		13	6	6
164300 Penalty assessments		—	—	—
Totals, Revenues		\$13	\$6	\$6
Totals, Revenues and Transfers		\$13	\$6	\$6
Totals, Resources		\$599	\$568	\$271

* Dollars in thousands, except in Salary Range.

0820 DEPARTMENT OF JUSTICE—Continued

EXPENDITURES

Disbursements:

	2001-02*	2002-03*	2003-04*
0820 Department of Justice (State Operations)	\$37	\$303	\$26
Totals, Expenditures	\$37	\$303	\$26

FUND BALANCE.....

Reserve for economic uncertainties	\$562	\$265	\$245
	562	265	245

0942 State Asset Forfeiture Account, Special Deposit Fund ⁿ

BEGINNING BALANCE.....	\$811	\$648	\$481
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REVENUES AND TRANSFERS

Operating Revenues:

215000 Income from investments.....	27	17	13
299000 Other—miscellaneous revenue.....	279	307	307
Totals, Operating Revenues	\$306	\$324	\$320

Totals, Revenues and Transfers	\$306	\$324	\$320
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Totals, Resources	\$1,117	\$972	\$801
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EXPENDITURES

Disbursements:

0820 Department of Justice (State Operations)	469	491	494
Totals, Expenditures	\$469	\$491	\$494

FUND BALANCE.....

Reserve for economic uncertainties	\$648	\$481	\$307
	648	481	307

0942 Federal Asset Forfeiture Account, Special Deposit Fund ⁿ

BEGINNING BALANCE.....	\$3,316	\$2,385	\$162
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Prior year adjustments	-164	-	-
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Balance, Adjusted.....	\$3,152	\$2,385	\$162
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REVENUES AND TRANSFERS

Operating Revenues:

215000 Income from investments.....	109	63	4
299000 Other—miscellaneous revenue.....	1,023	1,564	1,564
Totals, Operating Revenues	\$1,132	\$1,627	\$1,568

Totals, Revenues and Transfers	\$1,132	\$1,627	\$1,568
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Totals, Resources	\$4,284	\$4,012	\$1,730
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EXPENDITURES

Disbursements:

0820 Department of Justice (State Operations)	1,899	3,850	1,514
Totals, Expenditures	\$1,899	\$3,850	\$1,514

FUND BALANCE.....

Reserve for economic uncertainties	\$2,385	\$162	\$216
	2,385	162	216

1008 Firearm Safety and Enforcement Special Fund ^s

BEGINNING BALANCE.....	-	\$780	\$245
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REVENUES AND TRANSFERS

Revenues:

131600 Handgun safety fees.....	\$779	1,875	2,462
150300 Income from surplus money investments	1	1	1
Totals, Revenues	\$780	\$1,876	\$2,463

Transfers from Other Funds:

F00015 Firearms Safety Training Fund Special Account per Chapters 940 and 942, Statutes of 2001	-	245	-
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Totals, Revenues and Transfers	\$780	\$2,121	\$2,463
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Totals, Resources	\$780	\$2,901	\$2,708
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* Dollars in thousands, except in Salary Range.

0820 DEPARTMENT OF JUSTICE—Continued

EXPENDITURES			
Disbursements:			
0820 Department of Justice (State Operations)	2001-02*	2002-03*	2003-04*
	—	\$2,656	\$2,664
Totals, Expenditures	—	\$2,656	\$2,664
FUND BALANCE	\$780	\$245	\$44
Reserve for economic uncertainties	780	245	44
1009 Special Telephone Solicitors Fund ^s			
BEGINNING BALANCE	—	—	\$3,871
REVENUES AND TRANSFERS			
Revenues:			
131600 Miscellaneous fees	—	\$11,095	12,436
150300 Income from surplus money investments	—	—	—
Totals, Revenues	—	\$11,095	\$12,436
Transfers from Other Funds:			
F00001 General Fund loan per Item 0820-012-0001, Budget Act of 2002...	—	1,000	—
Transfers to Other Funds:			
T00001 General Fund loan repayment per Item 0820-012-0001, Budget Act of 2002	—	—	-1,000
Totals, Revenues and Transfers	—	\$12,095	\$11,436
Totals, Resources	—	\$12,095	\$15,307
EXPENDITURES			
Disbursements:			
0820 Department of Justice (State Operations)	—	8,224	8,515
Totals, Expenditures	—	\$8,224	\$8,515
FUND BALANCE	—	\$3,871	\$6,792
Reserve for economic uncertainties	—	3,871	6,792
3016 Missing Persons DNA Data Base Fund ^s			
BEGINNING BALANCE	\$896	\$1,851	\$1,981
Prior year adjustments	575	—	—
Balance, Adjusted	\$1,471	\$1,851	\$1,981
REVENUES AND TRANSFERS			
Revenues:			
1256000 Other regulatory fees	84	—	—
1317000 Miscellaneous revenue from local agencies	2,343	2,912	2,912
1503000 Income from surplus money investments	69	49	53
Totals, Revenues	\$2,496	\$2,961	\$2,965
Totals, Revenues and Transfers	\$2,496	\$2,961	\$2,965
Totals, Resources	\$3,967	\$4,812	\$4,946
EXPENDITURES			
Disbursements:			
0820 Department of Justice (State Operations)	2,116	2,831	3,038
Totals, Expenditures	\$2,116	\$2,831	\$3,038
FUND BALANCE	\$1,851	\$1,981	\$1,908
Reserve for economic uncertainties	1,851	1,981	1,908
3053 Public Rights Law Enforcement Special Fund ^s			
BEGINNING BALANCE	—	—	—
REVENUES AND TRANSFERS			
Revenues:			
163000 Settlements/Judgments (not Anti-trust)	—	—	\$700
Totals, Revenues	—	—	\$700
Totals, Revenues and Transfers	—	—	\$700
Totals, Resources	—	—	\$700

* Dollars in thousands, except in Salary Range.

0820 DEPARTMENT OF JUSTICE—Continued

EXPENDITURES				
Disbursements:				
0820 Department of Justice (State Operations)	2001-02*	2002-03*	2003-04*	
	—	—	\$500	
Totals, Expenditures	—	—	\$500	
FUND BALANCE	—	—	\$200	
Reserve for economic uncertainties	—	—	200	

CHANGES IN							
AUTHORIZED POSITIONS							
	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*	
Totals, Authorized Positions	5,310.9	5,787.8	5,581.0	\$307,524	\$335,900	\$330,000	
Salary adjustments	—	—	—	—	806	806	
Totals, Adjusted Authorized Positions	5,310.9	5,787.8	5,581.0	\$307,524	\$336,706	\$330,806	
Workload and Administrative Adjustments:							
Civil Law Division:							
False Claims:				Salary Range			
Special Agent, DOJ	—	-2.0	—	4,441-5,491	-69	—	
Public Rights Division:							
Civil Rights Enforcement Section:							
Special Agent, DOJ	—	-2.0	—	4,441-5,491	-69	—	
Consumer Protection Section:							
Special Agent, DOJ	—	-2.0	—	4,441-5,491	-70	—	
Antitrust Section:							
Special Agent, DOJ	—	-1.0	—	4,441-5,491	-35	—	
Division of Law Enforcement:							
Bureau of Investigation:							
Special Agent, DOJ	—	7.0	—	4,441-5,491	243	—	
Temporary Help	—	-0.3	—	—	-10	—	
Overtime-Regular	—	—	—	—	-180	—	
Overtime-Agent	—	—	—	—	-821	—	
California Justice Information Services:							
Overtime-Regular	—	—	—	—	-119	—	
Division of Firearms:							
Temporary Help	—	7.3	—	—	220	—	
Overtime-Regular	—	—	—	—	95	—	
Overtime-Agent	—	—	—	—	200	—	
Totals, Workload and Administrative							
Adjustments	—	7.0	—	—	-\$615	—	
Adjustment per Control Section 31.60:							
Directorate/Administrative Services:							
Sr Industrial Hygienist	—	-1.0	-1.0	5,013-6,050	-60	-60	
Accountant I-Spec	—	-3.0	-3.0	2,554-3,104	-92	-92	
Division of Executive Programs:							
Office of Training and Professional							
Development:							
Trng Ofcr I	—	-1.0	-1.0	3,915-4,759	-47	-47	
Office of Programs Review and Audits:							
Audit Spec I/BSA/EDP	—	-1.0	-1.0	4,305-5,232	-52	-52	
Criminal Law Division:							
Appeals, Writs and Trials:							
Assoc Govtl Prog Analyst	—	-1.0	-1.0	3,915-4,759	-47	-47	
Public Rights Division:							
Civil Rights Enforcement:							
Assoc Govtl Prog Analyst	—	-1.0	—	3,915-4,759	-57	—	
Tobacco Litigation:							
Legal Secty	—	-0.5	-0.5	2,839-3,450	-21	-21	
Division of Law Enforcement:							
Bureau of Investigation:							
Ofc Techn-Typing	—	-3.0	-3.0	2,390-2,905	-86	-86	
Mission Support Branch:							
Ofc Techn-Typing	—	-1.0	-1.0	2,390-2,905	-29	-29	
Word Proc Techn	—	-1.0	-1.0	2,069-2,648	-28	-29	
Bureau of Narcotic Enforcement:							
Special Agent, DOJ	—	-7.0	-7.0	4,441-5,491	-297	-297	
Ofc Techn-Typing	—	-2.0	-2.0	2,390-2,905	-64	-64	
Word Proc Techn	—	-1.0	-1.0	2,069-2,648	-25	-25	
Ofc Asst-Typing	—	-2.0	-2.0	2,029-2,465	-51	-52	

* Dollars in thousands, except in Salary Range.

0820 DEPARTMENT OF JUSTICE—Continued

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
Bureau of Forensic Services:				Salary Range		
Latent Print Supvr	—	-1.0	-1.0	\$4,766-5,750	-\$57	-\$57
Sr Criminalist	—	-1.0	-1.0	4,626-5,726	-56	-56
Forensic Scientist Toxicologist III	—	-1.0	-1.0	4,403-5,314	-53	-53
Latent Print Analyst II	—	-1.0	-1.0	4,341-5,233	-52	-52
Criminalist	—	-1.0	-1.0	2,674-5,208	-61	-62
Latent Print Analyst I	—	-1.0	-1.0	3,593-4,341	-43	-43
Lab Techn-Criminalistics	—	-3.5	-3.5	2,714-3,298	-114	-114
Word Proc Techn	—	-1.0	-1.0	2,069-2,648	-25	-25
Western States Information Network:						
Crim Intelligence Spec III	—	-1.0	-1.0	3,335-4,021	-47	-48
Crim Intelligence Spec I	—	-4.5	-4.5	2,560-3,047	-150	-155
Word Proc Techn	—	-1.0	-1.0	2,069-2,648	-25	-25
California Justice Information Services						
Division:						
O.J. Hawkins Data Center:						
Sr Info Sys Analyst-Spec	—	-1.0	—	4,958-6,026	-70	—
Staff Info Sys Analyst-Spec	—	-0.8	-0.8	4,507-5,480	-48	-48
Assoc Programmer Analyst-Spec	—	-0.1	-0.1	4,110-4,997	-5	-5
Staff Svcs Analyst-Gen	—	-1.0	-1.0	2,507-3,957	-42	-44
Info Sys Techn	—	-1.0	—	2,207-3,168	-26	—
Prog Techn	—	-1.0	-1.0	2,029-2,648	-25	-25
Ofc Asst-Typing	—	-0.6	-0.6	2,029-2,465	-14	-14
Bureau of Criminal Information and						
Analysis:						
Fld Rep, DOJ	—	-1.0	-1.0	4,021-4,853	-48	-48
Crim ID Spec III	—	-1.0	-1.0	3,337-4,024	-40	-40
Crim Intelligence Spec III	—	-1.0	-1.0	3,335-4,021	-48	-48
Crim ID Spec II	—	-1.0	-1.0	3,047-3,662	-40	-42
Editorial Techn	—	-1.0	-1.0	2,670-3,246	-39	-39
Supvng Prog Techn II	—	-1.0	-1.0	2,628-3,195	-37	-38
Prog Techn	—	-5.0	-5.0	2,029-2,648	-136	-136
Bureau of Criminal Identification and						
Information:						
DOJ Administrator II	—	-1.0	—	5,481-6,041	-66	—
DOJ Administrator I	—	-1.0	-1.0	4,520-5,455	-54	-54
Assoc Programmer Analyst-Spec	—	-1.0	-1.0	4,110-4,997	-49	-49
Crim ID & Intelligence Supvr	—	-1.0	-1.0	4,024-4,858	-53	-53
Fld Rep, DOJ	—	-2.0	-2.0	4,021-4,853	-97	-97
Staff Svcs Analyst-Gen	—	-3.0	-3.0	2,507-3,957	-92	-92
Exec Secty I	—	-1.0	-1.0	2,688-3,268	-32	-32
Prog Techn III	—	-1.0	-1.0	2,626-3,193	-32	-32
Crim ID Spec I	—	-1.0	-1.0	2,560-3,047	-37	-37
Ofc Techn-Typing	—	-1.0	-1.0	2,390-2,905	-29	-29
Ofc Svcs Supvr II-Gen	—	-1.0	-1.0	2,348-2,858	-32	-32
Prog Techn II	—	-6.0	-5.0	2,348-2,855	-187	-159
Word Proc Techn	—	-1.0	—	2,069-2,648	-25	—
Prog Techn	—	-16.0	-14.0	2,029-2,648	-435	-382
Key Data Opr	—	-2.0	-2.0	1,916-2,648	-56	-56
Ofc Asst-Gen	—	-8.0	-8.0	1,846-2,465	-196	-198
Criminal Office Support Branch:						
Prog Techn II	—	-2.0	-2.0	2,348-2,855	-56	-56
Division of Gambling Control:						
Cardroom Gaming:						
Investigative Auditor IV-Spec, DOJ	—	-1.0	-1.0	4,301-5,228	-52	-52
Assoc Govtl Prog Analyst	—	-4.0	-4.0	3,915-4,759	-205	-207
Staff Svcs Analyst-Gen	—	-3.0	-3.0	2,507-3,957	-90	-90
Ofc Techn-Typing	—	-2.0	-2.0	2,390-2,905	-57	-57
Prog Techn	—	-1.0	-1.0	2,029-2,648	-28	-29
Ofc Asst-Typing	—	-1.0	-1.0	2,029-2,465	-23	-23
Ofc Asst-Gen	—	-1.0	-1.0	1,846-2,465	-23	-23
Indian Gaming:						
Assoc Govtl Prog Analyst	—	-0.9	-0.9	3,915-4,759	-42	-42
Info Sys Techn	—	-1.0	-1.0	2,207-3,168	-26	-26
Division of Firearms:						
Assoc Info Sys Analyst-Spec	—	-0.9	-0.9	4,110-4,997	-44	-44
Assoc Govtl Prog Analyst	—	-1.1	-1.1	3,915-4,759	-52	-52
Prog Techn II	—	-0.1	-0.1	2,348-2,855	-3	-3
Totals, Adjustment per Section 31.60...	—	-125.0	-117.0	—	-\$4,430	-\$4,124

* Dollars in thousands, except in Salary Range.

0820 DEPARTMENT OF JUSTICE—Continued

Reductions in Authorized Positions:						
Division of Legal Support and Technology:	01-02	02-03	03-04	2001-02* Salary Range	2002-03*	2003-04*
Legal Support Services:						
Legal Secty.....	—	—	—3.0	\$2,839-3,450	—	-\$112
Division of Executive Programs:						
Crime and Violence Prevention Center:						
Crime Prev Spec.....	—	—	—1.0	3,915-5,228	—	—75
Civil Law Division:						
State Government Section:						
Legal Analyst.....	—	—	—1.0	3,418-4,155	—	—45
Tort and Condemnation Section:						
Dep Atty Gen.....	—	—	—2.0	3,651-7,034	—	—111
Employment, Regulation and Administration:						
Dep Atty Gen.....	—	—	—2.0	3,651-7,034	—	—128
Criminal Law Division:						
Trials and Special Operations:						
Staff Svcs Analyst-Gen.....	—	—	—1.0	2,507-3,957	—	—33
Ofc Techn-Typing.....	—	—	—0.5	2,390-2,905	—	—17
Public Rights Division:						
Charitable Trust/Registry:						
Staff Svcs Analyst-Gen.....	—	—	—1.0	2,507-3,957	—	—36
Ofc Techn-Typing.....	—	—	—1.0	2,390-2,905	—	—31
Antitrust Section:						
Dep Atty Gen III.....	—	—	—1.0	6,573-8,111	—	—97
Division of Law Enforcement:						
Mission Support Branch:						
Administrator II, DOJ.....	—	—	—1.0	5,481-6,041	—	—73
Special Agent Supvr, DOJ.....	—	—	—1.0	4,876-6,036	—	—65
Sr Photo Electronics Spec.....	—	—	—1.0	4,320-5,208	—	—57
Aircraft Pilot.....	—	—	—1.0	4,008-4,640	—	—53
Photo Electronics Spec.....	—	—	—3.0	3,934-4,525	—	—156
Bureau of Narcotic Enforcement:						
Special Agent, DOJ.....	—	—	—6.0	4,441-5,491	—	—353
California Justice Information Services Division:						
O.J. Hawkins Data Center:						
Assoc Info Sys Analyst-Spec.....	—	—	—8.5	4,110-4,997	—	—495
Bureau of Criminal Information and Analysis:						
Prog Techn II.....	—	—	—2.0	2,348-2,855	—	—62
Bureau of Identification and Information:						
Prog Techn II.....	—	—	—1.5	2,348-2,855	—	—47
Criminal Office Support Branch:						
Exec Asst.....	—	—	—0.4	2,926-3,556	—	—15
Ofc Techn-Typing.....	—	—	—2.0	2,390-2,905	—	—62
Division of Firearms:						
Fld Rep, DOJ.....	—	—	—2.0	4,021-4,853	—	—106
Totals, Reductions in Authorized Positions.....	—	—	—42.9	—	—	-\$2,229
Proposed New Positions:						
Division of Legal Support and Technology:						
Legal Support Services:						
Legal Secty, Range B ^{1, 3, 8}	—	—	16.4	2,839-3,450	—	622
Civil Law Division:						
Business and Tax Section:						
Legal Analyst ⁷	—	—	2.0	3,418-4,155	—	90
Health, Education and Welfare Section:						
Dep Atty Gen III ⁹	—	—	3.0	6,573-8,111	—	261
Legal Analyst ²	—	—	2.0	3,418-4,155	—	75
False Claims:						
Special Agent, DOJ.....	—	—	—2.0	4,441-5,491	—	—119
Criminal Law Division:						
Bureau of Medical Fraud/Patient Abuse:						
Dep Atty Gen III.....	—	—	7.0	6,573-8,111	—	630
Special Agent Supvr, DOJ.....	—	—	4.0	4,876-6,036	—	274
Special Agent, DOJ.....	—	—	8.0	4,441-5,491	—	484
Investigative Auditor II, DOJ.....	—	—	2.0	3,418-4,155	—	95
Legal Analyst.....	—	—	1.0	3,418-4,155	—	50
Legal Secty, Range B.....	—	—	5.0	2,839-3,450	—	182
Ofc Techn-Typing.....	—	—	1.0	2,390-2,905	—	35

* Dollars in thousands, except in Salary Range.

0820 DEPARTMENT OF JUSTICE—Continued

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
Public Rights Division:						
Civil Rights Enforcement Section:				Salary Range		
Special Agent, DOJ.....	—	—	-2.0	\$4,441-5,491	—	-\$119
Land Law Section:						
Dep Atty Gen III.....	—	—	1.0	6,573-8,111	—	87
Legal Analyst.....	—	—	1.0	3,418-4,155	—	45
Consumer Protection Section:						
Special Agent, DOJ.....	—	—	-2.0	4,441-5,491	—	-119
Antitrust Section:						
Special Agent, DOJ.....	—	—	-1.0	4,441-5,491	—	-60
Energy Emergency Task Force:						
Dep Atty Gen III ⁴	—	—	17.0	6,573-8,111	—	1,478
Investigative Auditor IV-Spec, DOJ ⁵ ...	—	—	1.0	4,301-5,228	—	57
Legal Analyst ⁶	—	—	3.0	3,418-4,155	—	136
Staff Svs Analyst-Gen ⁷	—	—	2.0	2,507-3,957	—	72
Division of Law Enforcement:						
Bureau of Investigation:						
Special Agent, DOJ.....	—	—	7.0	4,441-5,491	—	417
Overtime-Agent.....	—	—	—	—	—	-114
Bureau of Narcotic Enforcement:						
Special Agent, DOJ.....	—	—	1.0	4,441-5,491	—	63
Bureau of Forensic Services:						
Criminalist.....	—	—	13.0	2,674-5,208	—	602
Temporary Help-Regular.....	—	—	-0.9	—	—	-28
Overtime-Regular.....	—	—	—	—	—	-10
California Justice Information Services						
Division:						
Bureau of Criminal Information and						
Analysis:						
Prog Techn II.....	—	—	1.0	2,348-2,855	—	34
Prog Techn.....	—	—	4.0	2,029-2,648	—	127
Bureau of Criminal Identification and						
Information:						
Assoc Govtl Prog Analyst ⁸	—	—	1.0	3,915-4,759	—	52
Criminal Office Support Branch:						
DOJ Administrator III.....	—	—	-1.0	6,027-6,645	—	-82
DOJ Administrator I.....	—	—	-2.0	4,520-5,455	—	-131
Fld Rep, DOJ.....	—	—	-2.0	4,021-4,853	—	-117
Assoc Govtl Prog Analyst.....	—	—	-6.0	3,915-4,759	—	-320
Staff Svs Analyst-Gen.....	—	—	-4.0	2,507-3,957	—	-180
Supvng Prog Techn II.....	—	—	-4.0	2,628-3,195	—	-160
Prog Techn II.....	—	—	-7.0	2,348-2,855	—	-250
Prog Techn.....	—	—	-26.0	2,029-2,648	—	-724
Ofc Asst-Gen.....	—	—	-1.0	1,908-2,515	—	-29
Overtime-Regular.....	—	—	—	—	—	-44
Division of Firearms:						
Special Agent, DOJ.....	—	—	1.0	4,441-5,491	—	59
Overtime-Agent.....	—	—	—	—	—	12
Totals, Proposed New Positions.....	—	—	43.5	—	—	\$3,435
Total Adjustments.....	—	-118.0	-116.4	—	-\$4,239	-\$2,112
TOTALS, SALARIES AND WAGES.....	5,310.9	5,669.8	5,464.6	\$307,524	\$331,661	\$327,888

¹ 1.3 positions limited-term to 6/30/05.² 2.0 positions limited-term to 6/30/04.³ 12.8 positions limited-term to 6/30/05.⁴ 17.0 positions limited-term to 6/30/05.⁵ 1.0 position limited-term to 6/30/05.⁶ 3.0 positions limited-term to 6/30/05.⁷ 2.0 positions limited-term to 6/30/05.⁸ 1.0 position limited-term to 6/30/04.⁹ 3.0 positions limited-term to 6/30/04.

* Dollars in thousands, except in Salary Range.

0820 DEPARTMENT OF JUSTICE—Continued

STATE BUILDING PROGRAM EXPENDITURES		Actual 2001–02*	Estimated 2002–03*	Proposed 2003–04*
80 CAPITAL OUTLAY				
PROGRAM ELEMENTS				
85.50.080	Riverside Replacement Laboratory	—	—	—
85.60.010	Santa Barbara Replacement Laboratory	\$26 ^w	\$5,518 ^c	—
85.60.020	Santa Rosa Replacement Laboratory	—	5,470 ^c	—
85.60.030	Fresno Replacement Laboratory	12,813 ^c	—	—
85.60.060	Redding Replacement Laboratory	—	6,240 ^c	—
85.60.070	Freedom Replacement Laboratory	—	2,117 ^A	—
85.60.090	Hawkins Data Center—Fire Supp. Sys. ^c	379 ^c	237 ^c	—
85.60.090	Hawkins Data Center-Fire Supp. Sys.	190 ^c	127 ^c	—
85.60.095	1300 I St. Bldg. Alterations	501 ^c	—	—
85.70.010	Statewide DNA Labs	—	1,300 ^A	—
TOTALS, EXPENDITURES, CAPITAL OUTLAY		\$13,909	\$21,009	—
0001	General Fund ^g	13,719	3,654	—
0017	Fingerprint Fees Fund ^r	190	127	—
0660	Public Buildings Construction Fund ⁿ	—	17,228	—

RECONCILIATION WITH APPROPRIATIONS

3 CAPITAL OUTLAY

0001 General Fund

APPROPRIATIONS

301	Budget Act appropriation	\$2,616	—	—
	Adjustment per Section 3.90	–700	—	—
Prior year balances available:				
	Item 0820-301-0001, Budget Act of 1999	—	—	—
	Augmentation per Government Code Sections 16352, 16409, and 16354	26	—	—
	Item 0820-301-0001, Budget Act of 2000 as reappropriated by Item 0820-301-0001, Budget Act of 2001	25,948	\$2,064	—
	Reversion per Government Code Sections 16351, 16351.5, and 16408	–11,713	—	—
	Augmentation per Government Code Sections 16352, 16409, and 16354	1,143	54	—
	Item 0820-301-0001, Budget Act of 2001	—	1,537	—
	Totals Available	\$17,320	\$3,655	—
	Unexpended balance, estimated savings	—	–1	—
	Balance available in subsequent years	–3,601	—	—
TOTALS, EXPENDITURES		\$13,719	\$3,654	—

0017 Fingerprint Fees Account

APPROPRIATIONS

301	Budget Act appropriation	\$317	—	—
Prior year balances available:				
	Item 0820-301-0017, Budget Act of 2001	—	\$127	—
	Totals Available	\$317	\$127	—
	Balance available in subsequent years	–127	—	—
TOTALS, EXPENDITURES		\$190	\$127	—

0660 Public Buildings Construction Fund

APPROPRIATIONS

301	Budget Act appropriation	—	\$5,518	—
	Chapter 3, Statutes of 2002, Third Extraordinary Session, Section 2(b)(4) and (6)..	\$11,710	—	—
Prior year balances available:				
	Chapter 3, Statutes of 2002, Third Extraordinary Session, Section 2(b)(4) and (6)	—	11,710	—
	Totals Available	\$11,710	\$17,228	—
	Balance available in subsequent years	–11,710	—	—
TOTALS, EXPENDITURES		—	\$17,228	—
TOTALS, EXPENDITURES, ALL FUNDS (Capital Outlay)		\$13,909	\$21,009	—

* Dollars in thousands, except in Salary Range.

0840 STATE CONTROLLER

The State Controller is the Chief Financial Officer of the State, elected by the people. As such, the Controller's primary objectives are to: (1) provide sound fiscal control over both receipts and disbursements of public funds; (2) report periodically on the financial operations and condition of both state and local governments; (3) make certain money due the State is collected through fair, equitable and effective tax administration; (4) provide fiscal guidance to local governments; (5) administer the Unclaimed Property and Property Tax Postponement Programs; and (6) develop and establish policy for a significant number of boards and commissions, including all major tax boards.

SUMMARY OF PROGRAM

REQUIREMENTS	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
10 Accounting and Reporting.....	122.7	140.1	140.3	\$10,598	\$10,666	\$10,785
20 Audits.....	230.9	288.1	315.7	20,035	21,707	23,343
30 Personnel/Payroll Services	202.8	229.3	224.9	20,843	20,973	21,087
40 Information Systems	126.4	135.0	136.4	12,882	13,283	13,335
50 Collections	202.5	213.8	180.1	14,056	13,788	12,878
60 Disbursements and Support	212.8	129.6	130.0	33,503	33,256	32,915
Distributed to Other Programs	—	—	—	-8,184	-8,495	-8,495
TOTALS, PROGRAMS.....	1,098.1	1,135.9	1,127.4	\$103,733	\$105,178	\$105,848
0001 General Fund.....				69,110	67,755	68,028
0061 Motor Vehicle Fuel Account, Transportation Tax Fund.....				3,061	3,166	3,251
0062 Highway Users Tax Account, Transportation Tax Fund.....				856	880	928
0330 Local Revenue Fund.....				415	306	329
0344 State School Building Lease-Purchase Fund.....				746	764	766
0494 Various Unallocated Special Funds				42	43	43
0797 Various Unallocated Bond Funds				176	176	177
0890 Federal Trust Fund				1,038	1,145	1,152
0903 State Penalty Fund.....				998	1,020	1,047
0988 Various Unallocated Nongovernmental Cost Funds				233	238	239
0995 Reimbursements				27,058	29,685	29,888

10 ACCOUNTING AND REPORTING

Program Objectives Statement

To maintain uniform and systematic control accounts of all receipts, payments, state fund balances, and bonded indebtedness; to report the financial condition of the State; to maintain a database of information and report on local financial transactions; to apportion shared revenues to local governments; to administer Local Mandated Cost programs; to monitor the cash flow of the General Fund; and to prescribe uniform accounting procedures for counties and special districts.

Major Budget Adjustment for 2002-03 and 2003-04

- A reduction of five vacant positions and \$282,100 per Control Section 31.60 (\$231,876 personal services, \$38,630 staff benefits, and \$11,594 operating expenses and equipment).

Major Budget Adjustment Proposed for 2002-03

- Reduction Issues in the December Revision
 - A reduction of \$5,000 General Fund for training and \$3,000 General Fund for out-of-state travel.

Major Budget Adjustments Proposed for 2003-04

- Reduction Issues in the December Revision
 - A reduction of \$10,000 General Fund for training and \$3,000 General Fund for out-of-state travel.
- An augmentation of \$39,000 for rent (\$27,000 General Fund and \$12,000 reimbursements).

Authority

Constitution, Article XVI, Section 7 and Government Code Sections 12400 et seq.

20 AUDITS

Program Objectives Statement

To determine the legality and accuracy of all claims against the State through the performance of prepayment audits; to assure the accuracy of local government claims and financial statements submitted to the State and federal governments by establishing and updating audit guidelines, reviewing audits performed by independent local auditors, and performing field audits for a variety of State and federal programs; and to audit major businesses for compliance with the Unclaimed Property Law.

Major Budget Adjustments for 2002-03 and 2003-04

- A reduction of nineteen vacant positions and \$1,190,291 per Control Section 31.60 (\$993,804 personal services, \$146,794 staff benefits, and \$49,693 operating expenses and equipment).
- An augmentation of \$628,373 in reimbursement per Control Section 31.70 (\$524,868 personal services, \$77,260 staff benefits, and \$26,245 operating expenses and equipment).
- An augmentation of \$147,000 in reimbursement expenditure authority for services provided to State and non-State entities.

For the list of standard (lettered) footnotes, see the end of the Governor's Budget.

* Dollars in thousands, except in Salary Range.

0840 STATE CONTROLLER—Continued**Major Budget Adjustments Proposed for 2002–03**

- Reduction Issues in the December Revision
 - A reduction of \$12,000 General Fund for training and \$7,000 General Fund for out-of-state travel.
- Chapter 1128, Statutes of 2002, appropriates \$2,125,000 General Fund for the purpose of performing audits of State mandate claims (\$1,600,000) and quality control reviews (\$525,000). A total of 23.0 new positions are provided for this purpose, seventeen for State mandate audits and six for quality control reviews.

Major Budget Adjustments Proposed for 2003–04

- Reduction Issues in the December Revision
 - A reduction of \$26,000 General Fund for training and \$30,000 General Fund for out-of-state travel.
- An augmentation of \$55,000 for rent (\$38,000 General Fund and \$17,000 reimbursements).
- Pursuant to Chapter 1128, Statutes of 2002, augmentations of \$2,480,000 General Fund and 21.0 new positions to perform State mandate audits and \$1,013,000 General Fund and eleven new positions to perform quality control reviews.

Authority

Constitution, Article XVI, Section 7 and Government Code Section 12400 et seq.

30 PERSONNEL/PAYROLL SERVICES**Program Objectives Statement**

To administer the State's Payroll, Employment History and Leave Accounting Systems; to audit and process all personnel and payroll transactions for State civil service and exempt employees, and the California State University System; to provide information required to manage the personnel resources of the State; and to properly account for salary and wage expenditures.

Major Budget Adjustments for 2002–03 and 2003–04

- A reduction of ten vacant positions and \$514,114 per Control Section 31.60 (\$416,052 personal services, \$77,260 staff benefits, and \$20,802 operating expenses and equipment).
- An augmentation of \$853,000 in reimbursement expenditure authority for services provided to State and non-State entities.

Major Budget Adjustment Proposed for 2002–03

- Reduction Issues in the December Revision
 - A reduction of \$3,000 General Fund for training and \$2,000 General Fund for out-of-state travel.

Major Budget Adjustments Proposed for 2003–04

- Reduction Issues in the December Revision
 - A reduction of \$7,000 General Fund for training and \$4,000 General Fund for out-of-state travel
- An augmentation of \$57,000 for rent (\$39,000 General Fund and \$18,000 reimbursements).

Authority

Constitution, Article XVI, Section 7 and Government Code Section 12400 et seq.

40 INFORMATION SYSTEMS**Program Objectives Statement**

To develop, maintain, and operate all of the department's mainframe data processing systems; to develop and manage the fiscal system; and to oversee the planning, procurement, use, and maintenance of microcomputer systems.

Major Budget Adjustments for 2002–03 and 2003–04

- A reduction of eighteen vacant positions and \$1,040,207 per Control Section 31.60 (\$858,228 personal services, \$139,068 staff benefits, and \$42,911 operating expenses and equipment).
- An augmentation of \$537,000 in reimbursement expenditure authority for services provided to State and non-State entities.

Major Budget Adjustment Proposed for 2002–03

- Reduction Issues in the December Revision
 - A reduction of \$23,000 General Fund for training.

Major Budget Adjustments Proposed for 2003–04

- Reduction Issues in the December Revision
 - A reduction of \$45,000 General Fund for training.
- An augmentation of \$36,000 for rent (\$25,000 General Fund and \$11,000 reimbursements).

Authority

Constitution, Article XVI, Section 7 and Government Code Section 12400 et seq.

0840 STATE CONTROLLER—Continued**50 COLLECTIONS****Program Objectives Statement**

To administer the Unclaimed Property Law by receiving unclaimed property from banks, savings and loans, and other business firms, and restoring property to owners; to administer and collect estate, inheritance, and gift taxes; to collect delinquent insurance and gas taxes; and to administer the Tax-Defaulted Land and Property Tax Postponement Programs for senior and disabled citizens.

Major Budget Adjustments for 2002–03 and 2003–04

- A reduction of three vacant positions and \$155,692 per Control Section 31.60 (\$126,204 personal services, \$23,178 staff benefits, and \$6,310 operating expenses and equipment).
- An augmentation of \$56,000 in reimbursement expenditure authority for services provided to State and non-State entities.

Major Budget Adjustment Proposed for 2002–03

- Reduction Issues in the December Revision
 - A reduction of \$7,000 General Fund for training and \$2,000 General Fund for out-of-state travel.

Major Budget Adjustments Proposed for 2003–04

- Reduction Issues in the December Revision
 - A reduction of \$13,000 General Fund for training and \$3,000 General Fund for out-of-state travel.
- An augmentation of \$42,000 for rent (\$29,000 General Fund and \$13,000 reimbursements).
- A one-year augmentation of \$285,000 General Fund and the utilization of 5.1 existing, unfunded positions for the continued administration of the Unclaimed Property Amnesty Program.
- An augmentation of \$440,000 General Fund and the utilization of eight existing, unfunded positions for Unclaimed Property workload for two years.
- Charge three-percent processing fees on the value of approved Unclaimed Property claims. This proposal would generate an estimated \$3 million General Fund revenues in 2003–04 and \$6 million annually thereafter.
- Extend the statutory deadline for reviewing Unclaimed Property claims from 90 days to 180 days.

Authority

Constitution, Article XVI, Section 7 and Government Code Section 12400 et seq.
Revenue and Taxation Code, Division 2, Parts 1.5, 2, 4, 7, 8, and 9.
Public Resources Code, Division 3, Chapter 1, Articles 5.5 to 7.

60 DISBURSEMENTS AND SUPPORT**Program Objectives Statement**

To write and mail or deliver all payments of the State's obligations, including personal income tax refunds, payroll warrants, and retirement warrants; to provide staff support services to the Office; and to administer the information security program.

Major Budget Adjustments for 2002–03 and 2003–04

- A reduction of nine vacant positions and \$331,488 per Control Section 31.60 (\$249,480 personal services, \$69,534 staff benefits, and \$12,474 operating expenses and equipment).
- An augmentation of \$272,000 in reimbursement expenditure authority for services provided to State and non-State entities.

Major Budget Adjustment Proposed for 2002–03

- Reduction Issues in the December Revision
 - A reduction of \$8,000 General Fund for training.

Major Budget Adjustments Proposed for 2003–04

- Reduction Issues in the December Revision
 - A reduction of \$15,000 General Fund for training.
- An augmentation of \$119,000 for rent (\$79,000 General Fund and \$40,000 reimbursements).

Authority

Constitution, Article XVI, Section 7 and Government Code Section 12400 et seq.
Membership by State Controller on boards and commissions, principally:
State Board of Equalization, Constitution, Articles 13, 7, and 9.
State Board of Control, Government Code Section 13901.
Franchise Tax Board, Government Code Section 15700.
Pooled Money Investment Board, Government Code Section 16480.1.
State Teachers' Retirement Board, Education Code Section 13851.
Various bond and finance committees, Education Code Section 19510; Military and Veterans Code Section 991; Chapter 765/27, Chapter 23/63, 1st Ex; Water Code Section 12933; Harbors and Navigation Code Section 3902–3; Government Code Section 17220.
California Exposition and Fair Executive Committee, Agricultural Code Section 72.1.
State Lands Commission, Public Resources Code Section 6101.
Reapportionment Commission, Constitution, Articles 4, 6.
Reciprocity Commission, Vehicle Code Section 2600.
Interagency Council for Ocean Resources, Government Code Sections 8810–11.
Intergovernmental Council on Urban Growth, Government Code Section 34200.

0840 STATE CONTROLLER—Continued

PROGRAM BUDGET DETAIL

PROGRAM REQUIREMENTS

10 ACCOUNTING AND REPORTING

State Operations:	2001-02*	2002-03*	2003-04*
0001 General Fund	\$7,874	\$7,806	\$7,855
0062 Highway Users Tax Account, Transportation Tax Fund	69	74	76
0330 Local Revenue Fund	415	306	329
0344 State School Building Lease-Purchase Fund	444	455	457
0494 Various Unallocated Special Funds	42	43	43
0797 Various Unallocated Bond Funds	176	176	177
0903 State Penalty Fund	150	162	189
0988 Various Unallocated Nongovernmental Cost Funds	162	166	167
0995 Reimbursements	1,266	1,478	1,492
Totals, State Operations	\$10,598	\$10,666	\$10,785

PROGRAM REQUIREMENTS

20 AUDITS

State Operations:	2001-02*	2002-03*	2003-04*
0001 General Fund	\$8,540	\$10,647	\$12,203
0061 Motor Vehicle Fuel Account, Transportation Tax Fund	1,891	1,946	1,946
0062 Highway Users Tax Account, Transportation Tax Fund	730	745	791
0344 State School Building Lease-Purchase Fund	302	309	309
0890 Federal Trust Fund	1,038	1,145	1,152
0903 State Penalty Fund	848	858	858
0988 Various Unallocated Nongovernmental Cost Funds	71	72	72
0995 Reimbursements	6,615	5,985	6,012
Totals, State Operations	\$20,035	\$21,707	\$23,343

PROGRAM REQUIREMENTS

30 PERSONNEL/PAYROLL SERVICES

State Operations:	2001-02*	2002-03*	2003-04*
0001 General Fund	\$15,555	\$14,304	\$14,199
0995 Reimbursements	5,288	6,669	6,888
Totals, State Operations	\$20,843	\$20,973	\$21,087

PROGRAM REQUIREMENTS

40 INFORMATION SYSTEMS

State Operations:	2001-02*	2002-03*	2003-04*
0001 General Fund	\$11,477	\$11,425	\$11,596
0062 Highway Users Tax Account, Transportation Tax Fund	57	61	61
0995 Reimbursements	1,348	1,797	1,678
Totals, State Operations	\$12,882	\$13,283	\$13,335

PROGRAM REQUIREMENTS

50 COLLECTIONS

State Operations:	2001-02*	2002-03*	2003-04*
0001 General Fund	\$11,344	\$11,036	\$10,027
0061 Motor Vehicle Fuel Account, Transportation Tax Fund	1,170	1,220	1,305
0995 Reimbursements	1,542	1,532	1,546
Totals, State Operations	\$14,056	\$13,788	\$12,878

PROGRAM REQUIREMENTS

60 DISBURSEMENTS AND SUPPORT

Amounts Charged to Other Programs:	2001-02*	2002-03*	2003-04*
10 Accounting and Reporting	-1,186	-1,231	-1,231
20 Audits	-2,288	-2,375	-2,375
30 Personnel/Payroll Services	-1,924	-1,997	-1,997
40 Information Systems	-1,243	-1,290	-1,290
50 Collections	-1,543	-1,602	-1,602
Totals, Amounts Charged to Other Programs	-\$8,184	-\$8,495	-\$8,495
Net Totals, Disbursements and Support (State Operations)	\$25,319	\$24,761	\$24,420

* Dollars in thousands, except in Salary Range.

0840 STATE CONTROLLER—Continued

	2001-02*	2002-03*	2003-04*
0001 General Fund	\$14,320	\$12,537	\$12,148
0995 Reimbursements	10,999	12,224	12,272

TOTAL EXPENDITURES

State Operations	\$103,733	\$105,178	\$105,848
TOTALS, EXPENDITURES	\$103,733	\$105,178	\$105,848

SUMMARY BY OBJECT**1 STATE OPERATIONS**

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A)	1,098.1	1,207.4	1,207.4	\$54,790	\$59,376	\$60,160
Total Adjustments	—	-40.0	-48.7	—	-1,380	-1,057
Estimated Salary Savings	—	-31.5	-31.3	—	-1,585	-1,396
Net Totals, Salaries and Wages	1,098.1	1,135.9	1,127.4	\$54,790	\$56,411	\$57,707
Staff Benefits	—	—	—	11,565	12,729	12,231
Totals, Personal Services	1,098.1	1,135.9	1,127.4	\$66,355	\$69,140	\$69,938
OPERATING EXPENSES AND EQUIPMENT				\$37,891	\$37,376	\$36,981
TOTALS, EXPENDITURES				\$104,246	\$106,516	\$106,919
Less funding provided by State Controller's Statewide Information Technology Projects (0841)				-513	-1,338	-1,071
TOTALS, NET EXPENDITURES				\$103,733	\$105,178	\$105,848

RECONCILIATION WITH APPROPRIATIONS**1 STATE OPERATIONS****0001 General Fund**

	2001-02*	2002-03*	2003-04*
APPROPRIATIONS			
001 Budget Act appropriation	\$67,422	\$65,970	\$67,971
Allocation for employee compensation	365	734	—
Allocation for contingencies or emergencies	1,173	—	—
Adjustment per Section 3.60	1,308	1,080	—
Adjustment per Section 4.00	-140	—	—
Allocation for postage rate increases	201	—	—
Adjustment per Section 3.20 as added by Chapter 1, Statutes of 2002, Third Extraordinary Session	-1,182	—	—
Adjustment per Section 31.60	—	-2,011	—
Adjustment per Section 4.20	—	-14	—
Adjustment per Mid-Year Revision Legislation	—	-72	—
Chapter 1128, Statutes of 2002, Section 15(a)	—	1,600	—
Chapter 1128, Statutes of 2002, Section 15(b)	—	525	—
Prior year balances available:			
Chapter 1128, Statutes of 2002, Section 15(a)	—	—	20
Chapter 1128, Statutes of 2002, Section 15(b)	—	—	37
Totals Available	\$69,147	\$67,812	\$68,028
Unexpended balance, estimated savings	-37	—	—
Balance available in subsequent years	—	-57	—
TOTALS, EXPENDITURES	\$69,110	\$67,755	\$68,028

0061 Motor Vehicle Fuel Account, Transportation Tax Fund

APPROPRIATIONS			
001 Budget Act appropriation	\$3,021	\$3,082	\$3,251
Allocation for employee compensation	16	34	—
Adjustment per Section 3.60	73	50	—
Adjustment per Section 4.00	-4	—	—
Totals Available	\$3,106	\$3,166	\$3,251
Unexpended balance, estimated savings	-45	—	—
TOTALS, EXPENDITURES	\$3,061	\$3,166	\$3,251

* Dollars in thousands, except in Salary Range.

0840 STATE CONTROLLER—Continued

0062 Highway Users Tax Account, Transportation Tax Fund

APPROPRIATIONS	2001-02*	2002-03*	2003-04*
001 Budget Act appropriation	\$836	\$855	\$928
Allocation for employee compensation	5	10	—
Adjustment per Section 3.60	20	15	—
Adjustment per Section 4.00	-1	—	—
Totals Available	\$860	\$880	\$928
Unexpended balance, estimated savings	-4	—	—
TOTALS, EXPENDITURES	\$856	\$880	\$928

0330 Local Revenue Fund

APPROPRIATIONS			
001 Budget Act appropriation	\$404	\$413	\$329
Allocation for employee compensation	2	5	—
Adjustment per Section 3.60	10	7	—
Adjustment per Section 4.00	-1	—	—
Adjustment per Section 31.60	—	-119	—
TOTALS, EXPENDITURES	\$415	\$306	\$329

0344 State School Building Lease-Purchase Fund

APPROPRIATIONS			
001 Budget Act appropriation	\$728	\$744	\$766
Allocation for employee compensation	4	8	—
Adjustment per Section 3.60	17	12	—
Adjustment per Section 4.00	-1	—	—
Totals Available	\$748	\$764	\$766
Unexpended balance, estimated savings	-2	—	—
TOTALS, EXPENDITURES	\$746	\$764	\$766

0494 Other Unallocated Special Funds

APPROPRIATIONS			
011 Budget Act appropriation	\$41	\$42	\$43
Allocation for employee compensation	—	1	—
Adjustment per Section 3.60	1	—	—
TOTALS, EXPENDITURES	\$42	\$43	\$43

0797 Unallocated Bonds Funds-Select

APPROPRIATIONS			
011 Budget Act appropriation	\$171	\$175	\$177
Allocation for employee compensation	1	1	—
Adjustment per Section 3.60	4	—	—
TOTALS, EXPENDITURES	\$176	\$176	\$177

0890 Federal Trust Fund

APPROPRIATIONS			
001 Budget Act appropriation	\$1,325	\$1,359	\$1,152
Allocation for employee compensation	—	4	—
Adjustment per Section 3.60	32	22	—
Adjustment per Section 4.00	-1	—	—
Adjustment per Section 31.60	—	-240	—
Budget Adjustment	-318	—	—
TOTALS, EXPENDITURES	\$1,038	\$1,145	\$1,152

0903 State Penalty Fund

APPROPRIATIONS			
001 Budget Act appropriation	\$972	\$992	\$1,047
Allocation for employee compensation	5	11	—
Adjustment per Section 3.60	23	17	—
Adjustment per Section 4.00	-1	—	—
Totals Available	\$999	\$1,020	\$1,047
Unexpended balance, estimated savings	-1	—	—
TOTALS, EXPENDITURES	\$998	\$1,020	\$1,047

* Dollars in thousands, except in Salary Range.

0840 STATE CONTROLLER—Continued

0988 Various Other Unallocated Non-Governmental Cost Funds

APPROPRIATIONS	2001-02*	2002-03*	2003-04*
001 Budget Act appropriation	\$187	\$192	\$197
Allocation for employee compensation	1	2	—
Adjustment per Section 3.60	4	3	—
011 Budget Act appropriation	40	41	42
Adjustment per Section 3.60	1	—	—
TOTALS, EXPENDITURES	\$233	\$238	\$239

0995 Reimbursements

APPROPRIATIONS			
Reimbursements	\$27,058	\$29,685	\$29,888
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$103,733	\$105,178	\$105,848

RECONCILIATION WITH APPROPRIATIONS

2 LOCAL ASSISTANCE

0979 California Firefighter's Memorial Fund

APPROPRIATIONS			
101 Budget Act appropriation	\$710	\$500	\$500
Allocation to California Firefighter's Memorial Fund	-557	-500	-500
Totals Available	\$153	—	—
Unexpended balance, estimated savings	-153	—	—
TOTALS, EXPENDITURES	—	—	—
TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)	—	—	—
TOTALS, EXPENDITURES, ALL FUNDS (State Operations and Local Assistance)	\$103,733	\$105,178	\$105,848

CHANGES IN

AUTHORIZED POSITIONS

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
Totals, Authorized Positions	1,098.1	1,207.4	1,207.4	\$54,790	\$59,376	\$60,160
Reductions in Authorized Positions:						
Unclaimed Property Workload:				Salary Range		
Ofc Svcs Mgr I	—	—	-2.0 ¹	3,537-4,299	—	-81
Acctg Ofcr-Spec	—	—	-1.0 ¹	3,418-4,155	—	-39
Prog Techn III	—	—	-5.0 ¹	2,626-3,193	—	-150
Prog Techn II	—	—	-6.5 ¹	2,348-2,855	—	-175
Ofc Asst-Typing	—	—	-1.0 ¹	1,908-2,515	—	-21
Totals, Unclaimed Property Workload ..	—	—	-15.5	—	—	-\$466
Unclaimed Property Amnesty:						
Assoc Govtl Prog Analyst	—	—	-1.0 ²	3,915-4,759	—	-52
Acctg Ofcr-Spec	—	—	-4.0 ²	3,418-4,155	—	-181
Staff Svcs Analyst-Gen	—	—	-2.0 ²	2,507-3,957	—	-72
Prog Techn III	—	—	-3.2 ²	2,626-3,193	—	-111
Prog Techn II	—	—	-3.0 ²	2,348-2,855	—	-93
Prog Techn	—	—	-0.4 ²	2,029-2,648	—	-11
Key Data Opr	—	—	-1.7 ²	1,916-2,648	—	-43
Totals, Unclaimed Property Ammesty ..	—	—	-15.3	—	—	-\$563
Automated Statewide Travel Expense Reimbursement System:						
Assoc Info Sys Analyst-Spec	—	—	-2.0 ⁴	4,110-4,997	—	-109
Assoc Govtl Prog Analyst	—	—	-3.3 ⁴	3,915-4,759	—	-171
Totals, Automated Statewide Travel Expense Reimbursement System ..	—	—	-5.3	—	—	-\$280
Totals, Reductions in Authorized Positions	—	—	-36.1	—	—	-\$1,309

* Dollars in thousands, except in Salary Range.

0840 STATE CONTROLLER—Continued

Adjustment per Control Section 31.60:	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
Administration and Disbursements						
Division:				Salary Range		
Assoc Mgt Auditor	—	-1.0 ³	-1.0 ³	\$4,110-4,997	-\$50	-\$50
Ofc Svcs Supvr II-Gen	—	-1.0 ³	-1.0 ³	2,628-3,195	-32	-32
Secty	—	-0.5 ³	-0.5 ³	2,390-2,906	-14	-14
Mailing Mach Opr II	—	-2.0 ³	-2.0 ³	2,357-2,862	-57	-57
Key Data Oper	—	-2.0 ³	-2.0 ³	1,916-2,648	-46	-46
Acct Clerk II	—	-1.0 ³	-1.0 ³	2,104-2,559	-25	-25
Computer Opr	—	-1.0 ³	-1.0 ³	2,207-2,433	-26	-26
Totals, Administration and Disbursements Division	—	-8.5	-8.5	—	-\$250	-\$250
Division of Audits:						
Sr Mgt Auditor	—	-6.0 ³	-6.0 ³	4,963-5,988	-357	-357
Staff Mgt Auditor-Spec	—	-5.0 ³	-5.0 ³	4,963-5,987	-259	-259
Govtl Auditor III	—	-1.0 ³	-1.0 ³	4,110-4,997	-49	-49
Assoc Mgt Auditor	—	-6.0 ³	-6.0 ³	4,110-4,997	-296	-296
Staff Svcs Mgt Auditor	—	-1.0 ³	-1.0 ³	2,764-3,048	-33	-33
Totals, Division of Audits	—	-19.0	-19.0	—	-\$994	-\$994
Division of Collections:						
Gen Auditor III	—	-1.0 ³	-1.0 ³	4,110-4,997	-49	-49
Spvng Prog Techn III	—	-1.0 ³	-1.0 ³	4,110-4,997	-36	-36
Acctg Ofcr-Spec	—	-1.0 ³	-1.0 ³	3,418-4,155	-41	-41
Totals, Division of Collections	—	-3.0	-3.0	—	-\$126	-\$126
Division of Accounting and Reporting:						
Assoc Acctg Analyst	—	-4.0 ³	-4.0 ³	4,110-4,997	-197	-197
Accountant Trainee	—	-1.0 ³	-1.0 ³	2,883-3,338	-35	-35
Totals, Division of Accounting and Reporting	—	-5.0	-5.0	—	-\$232	-\$232
Information Systems Division:						
Sr Info Sys Analyst-Spec	—	-1.0 ³	-1.0 ³	4,958-6,026	-60	-60
DP Mgr II	—	-1.0 ³	-1.0 ³	4,958-6,026	-60	-60
Sr Programmer Analyst-Spec	—	-1.0 ³	-1.0 ³	4,958-6,026	-59	-59
Sys Software Spec II-Techn	—	-1.0 ³	-1.0 ³	4,949-6,015	-59	-59
Staff Info Svcs Analyst-Spec	—	-2.0 ³	-2.0 ³	4,507-5,480	-108	-108
Assoc Info Sys Analyst-Spec	—	-4.0 ³	-4.0 ³	4,507-5,480	-197	-197
Assoc Programmer Analyst-Spec	—	-3.0 ³	-3.0 ³	4,110-4,997	-148	-148
Programmer II	—	-1.0 ³	-1.0 ³	3,589-4,363	-43	-43
Info Sys Techn Supvr I	—	-1.0 ³	-1.0 ³	3,268-3,927	-39	-39
Info Sys Spec I	—	-1.5 ³	-1.5 ³	3,110-3,780	-56	-56
Ofc Techn	—	-1.0 ³	-1.0 ³	2,390-2,905	-29	-29
Totals, Information Systems Division	—	-17.5	-17.5	—	-\$858	-\$858
Personnel/Payroll Services Division:						
Staff Svcs Mgr I	—	-1.0 ³	-1.0 ³	4,520-5,453	-54	-54
Assoc Info Sys Analyst-Spec	—	-1.0 ³	-1.0 ³	4,110-4,997	-49	-49
Assoc Govtl Prog Analyst	—	-4.0 ³	-4.0 ³	3,915-4,759	-188	-188
Payroll Svcs Supvr II	—	-1.0 ³	-1.0 ³	3,244-3,944	-39	-39
Staff Svcs Analyst-Gen	—	-1.0 ³	-1.0 ³	2,507-3,300	-30	-30
Payroll Svcs Spec I	—	-1.0 ³	-1.0 ³	2,315-3,239	-28	-28
Pers Svcs Spec	—	-1.0 ³	-1.0 ³	2,315-3,239	-28	-28
Totals, Personnel/Payroll Services Division	—	-10.0	-10.0	—	-\$416	-\$416
Totals, Adjustment per Section 31.60	—	-63.0	-63.0	—	-\$2,876	-\$2,876
Adjustment per Section 31.70:						
Division of Audits:						
Sr Mgt Auditor	—	—	—	4,963-5,988	238	238
Staff Mgt Auditor-Spec	—	—	—	4,963-5,987	155	155
Assoc Mgt Auditor	—	—	—	4,110-4,997	99	99
Staff Svcs Mgt Auditor	—	—	—	2,764-3,048	33	33
Totals, Adjustment per Section 31.70...	—	—	—	—	\$525	\$525

* Dollars in thousands, except in Salary Range.

0840 STATE CONTROLLER—Continued

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
Proposed New Positions:						
Unclaimed Property Amnesty:				Salary Range		
Acctg Ofcr-Spec.....	—	—	1.0 ⁴	\$3,418-4,155	—	\$47
Prog Techn III.....	—	—	2.4 ⁴	2,757-3,193	—	88
Prog Techn.....	—	—	1.7 ⁴	2,029-2,648	—	48
Totals, Unclaimed Property Amnesty...	—	—	5.1	—	—	\$183
Automated Statewide Travel Expense Reimbursement System:						
Staff Inso Sys Analyst-Spec.....	—	—	1.0 ⁴	4,507-5,480	—	60
Assoc Info Sys Analyst-Spec.....	—	—	1.0 ⁴	4,110-4,997	—	54
Assoc Govtl Prog Analyst.....	—	—	3.3 ⁴	3,915-4,759	—	172
Totals, Automated Statewide Travel Expense Reimbursement System ..	—	—	5.3	—	—	\$286
State Mandate Audits (Chapter 1128, Statutes of 2002):						
Sr Mgt Auditor.....	—	2.5 ⁶	2.5 ⁶	4,963-5,987	\$82	172
Sr Mgt Auditor.....	—	(1.5) ⁶	—	4,963-5,987	49	—
Staff Mgt Auditor-Spec.....	—	5.0 ⁶	5.0 ⁶	4,301-5,228	142	299
Staff Mgt Auditor-Spec.....	—	(3.0) ⁶	—	4,301-5,228	85	—
Assoc Mgt Auditor.....	—	8.5 ⁶	12.5 ⁶	4,110-4,997	231	714
Assoc Mgt Auditor.....	—	(7.5) ⁶	—	4,110-4,997	204	—
Ofc Techn-Typing.....	—	1.0 ⁶	1.0 ⁶	2,348-2,855	16	33
Totals, State Mandate Audits.....	—	17.0	21.0	—	\$809	\$1,218
Quality Control Review (Chapter 1128, Statutes of 2002):						
Sr Mgt Auditor.....	—	1.0 ⁶	1.0 ⁶	4,963-5,987	33	69
Staff Mgt Auditor-Spec.....	—	3.0 ⁶	6.0 ⁶	4,301-5,228	85	359
Assoc Mgt Auditor.....	—	1.0 ⁶	3.0 ⁶	4,110-4,997	27	171
Staff Svcs Analyst.....	—	1.0 ⁶	1.0 ⁶	2,507-3,957	17	35
Totals, Quality Control Review.....	—	6.0	11.0	—	\$162	\$634
Unclaimed Property Workload:						
Acctg Ofcr-Spec.....	—	—	2.0 ⁷	3,589-4,155	—	95
Prog Techn II.....	—	—	4.0 ⁷	2,465-2,855	—	131
Prog Techn.....	—	—	2.0 ⁷	2,130-2,648	—	56
Totals, Unclaimed Property Workload..	—	—	8.0	—	—	\$282
Totals, Proposed New Positions.....	—	23.0	50.4	—	\$971	\$2,603
Total Adjustments.....	—	-40.0	-48.7	—	-\$1,380	-\$1,057
TOTALS, SALARIES AND WAGES.....	1,098.1	1,167.4	1,158.7	\$54,790	\$57,996	\$59,103

¹ Expiration of three-year limited-term positions to support Unclaimed Property Program.

² Expiration of one-year limited-term positions to support the Unclaimed Property Amnesty Program.

³ Positions eliminated per Section 31.60, Budget Act of 2002.

⁴ Continued redirection of existing positions for the continued administration of the Unclaimed Property Amnesty Program through 6/30/04.

⁵ Continued redirection of existing positions for the Automated Statewide Travel Expense Reimbursement System through 6/30/04.

⁶ Positions for performing State mandate claims audits and quality control reviews pursuant to Chapter 1128, Statutes of 2002.

⁷ Redirection of eight existing positions for Unclaimed Property workload through 6/30/05.

0841 STATE CONTROLLER'S STATEWIDE INFORMATION TECHNOLOGY PROJECTS

The State Controller's Office currently maintains and administers the Automated Statewide Travel Expense Reimbursement System. Since this infrastructure project is for the benefit of State government, these expenditures are reflected in this budget. The Automated Statewide Travel Expense Reimbursement System will reduce the processing, review, and approval time and will result in more efficient and accurate processing of these claims. This system is funded with reimbursements from various departments. The State Controller's Office will continue to administratively manage this project using its own existing positions as shown in the Controller's budget (0840).

SUMMARY OF PROGRAM

REQUIREMENTS	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
10 Human Resource Management System and Automated Statewide Travel Expense Reimbursement System ..	—	—	—	\$513	\$1,338	\$1,071
10.02 Automated Statewide Travel Expense Reimbursement System.....	—	—	—	(513)	(1,338)	(1,071)
0995 Reimbursements.....	—	—	—	513	1,338	1,071

For the list of standard (lettered) footnotes, see the end of the Governor's Budget.

* Dollars in thousands, except in Salary Range.

**0841 STATE CONTROLLER'S STATEWIDE INFORMATION
TECHNOLOGY PROJECTS—Continued**

10 STATEWIDE INFORMATION TECHNOLOGY PROJECTS

Major Budget Adjustment Proposed for 2003–04

- A one-year augmentation of \$1,071,000 from reimbursements for the continued implementation, maintenance, and support of the Automated Statewide Travel Expense Reimbursement System. This amount provides funding for 5.3 existing, unfunded positions within the Controller's Office.

Authority

Constitution, Article XVI, Section 7 and Government Code Section 12400, et seq.

RECONCILIATION WITH APPROPRIATIONS

1 STATE OPERATIONS

0001 General Fund

APPROPRIATIONS	2001–02*	2002–03*	2003–04*
001 Budget Act appropriation	\$0 ¹	\$0 ¹	\$0 ¹
TOTALS, EXPENDITURES	—	—	—

¹ Fully reimbursed item.

0995 Reimbursements

APPROPRIATIONS			
Reimbursements	\$513	\$1,338	\$1,071
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$513	\$1,338	\$1,071

0845 DEPARTMENT OF INSURANCE

The office of the Insurance Commissioner has the responsibility to enforce the insurance law found in the California Insurance Code. The role of the Insurance Commissioner is to regulate the insurance industry, thereby protecting California consumers from abusive insurance practices.

The Department regulates the largest insurance market in the United States with over \$80 billion in direct premiums written in the state. In fulfilling its responsibility to protect California's insurance policyholders, the Department conducts examinations of insurance companies and producers to ensure that operations are consistent with the requirements of the Insurance Code and that insurance companies are financially viable and able to meet their obligations to policyholders and claimants. The Department also investigates complaints and responds to consumer inquiries; administers the conservation and liquidation of insolvent and delinquent insurance companies; reviews and approves insurance rates; and is a major contributor in combating insurance fraud.

SUMMARY OF PROGRAM

REQUIREMENTS	01–02	02–03	03–04	2001–02*	2002–03*	2003–04*
10 Regulation of Insurance Companies and Insurance Producers	431.0	424.3	424.3	\$53,199	\$56,829	\$56,812
12 Consumer Protection	314.9	309.7	306.7	39,657	41,856	41,748
20 Fraud Control	264.1	273.7	275.6	65,202	66,227	67,853
30 Tax Collection and Audits	12.0	18.0	18.0	1,057	1,802	1,821
40 Earthquake Grants and Loans	3.0	2.8	—	1,895	1,665	824
50.01 Administration	222.1	216.0	216.0	22,678	23,689	23,782
50.02 Distributed Administration	—	—	—	–22,678	–23,689	–23,782
TOTALS, PROGRAMS	1,247.1	1,244.5	1,240.6	\$161,010	\$168,379	\$169,058
0001 General Fund				1,057	—	—
0217 Insurance Fund				158,058	166,464	167,984
0285 California Residential Earthquake Recovery Fund				1,895	1,665	824
0995 Reimbursements				—	250	250

10 REGULATION OF INSURANCE COMPANIES AND INSURANCE PRODUCERS

Program Objectives Statement

The objectives of this program are: (1) to prevent losses to policyholders, beneficiaries or the public due to the insolvency of insurers, (2) to prevent unlawful or unfair practices by insurers as defined by the Insurance Code. To accomplish the objectives of this program, the Department conducts field examinations, regulates rates, maintains solvency surveillance, regulates proxy solicitations, manages financially distressed companies, admits qualified companies, maintains surveillance of admitted and surplus lines companies, reviews policy forms, investigates consumer complaints, and assures that producers are properly qualified and licensed.

For the list of standard (lettered) footnotes, see the end of the Governor's Budget.

* Dollars in thousands, except in Salary Range.

0845 DEPARTMENT OF INSURANCE—Continued**Major Budget Adjustment Proposed for 2002–03**

- Other Reductions
 - \$613,000 Insurance Fund and 10.0 positions (\$414,000 personal services and \$71,000 benefits and \$128,000 operating expenses) per Control Section 31.60.

Major Budget Adjustment Proposed for 2003–04

- Other Reductions
 - \$613,000 Insurance Fund and 10.0 positions (\$414,000 personal services and \$71,000 benefits and \$128,000 operating expenses) per Control Section 31.60.

Authority

Insurance Code, Sections 1–12979, and 12997–15003.

12 CONSUMER PROTECTION**Program Objectives Statement**

The objectives of this program are to provide direct service to California consumers by protecting insurance policyholders and other parties involved in insurance transactions against unfair or illegal practices with respect to claims handling, rating or underwriting by insurers. The objectives also include protecting applicants and policyholders from discriminatory, unlawful or fraudulent practices or incompetence relating to the sale of insurance. To accomplish the objectives of this program, the Department has devoted a number of activities to consumer issues. An “800” hotline is maintained to respond to individual requests for information and consumer complaints. The hotline also conducts an outreach program to give presentations to consumer groups and provide information at disaster sites. Two written-case bureaus specialize in handling written consumer complaints regarding detailed claims or rating and underwriting issues. All three of these direct consumer contact units act to mediate complaints, educate consumers, and identify violations of law. The Department performs market conduct examinations on-site at insurer locations to follow-up on trends in consumer complaints and review overall claims, underwriting and rating practices in order to evaluate compliance with insurance laws. The Department also deploys investigators who work to identify and curtail illegal practices taken by insurance producers and unlicensed entities. The Department’s Legal Branch also focuses on taking formal enforcement action based on referrals from program units.

Major Budget Adjustment Proposed for 2002–03

- Other Reductions
 - \$893,000 Insurance Fund and 18.0 positions (\$681,000 personal services, \$112,000 benefits, and \$100,000 operating expenses) per Control Section 31.60.

Major Budget Adjustment Proposed for 2003–04

- Other Reductions
 - \$893,000 Insurance Fund and 18.0 positions (\$681,000 personal services, \$112,000 benefits, and \$100,000 operating expenses) per Control Section 31.60.

Authority

Insurance Code, Sections 510, 730, 1857–1858, 10089.7, 12921.1–12921.4, and 12950.

20 FRAUD CONTROL**Program Objectives Statement**

The objective of this program is to protect the public from economic loss and distress by actively investigating and arresting those who commit insurance fraud and to reduce the overall incidence of insurance fraud through anti-fraud outreach to the public, private and governmental sectors. The staff is primarily certified peace officers who conduct criminal investigations working with both county district attorneys and federal prosecutors to prepare insurance fraud-related criminal cases for prosecution. The investigators serve warrants, make arrests and provide testimony and evidence.

The program supports outreach and education efforts to the public, insurance industry and governmental entities to further reduce insurance fraud through prevention and identification of fraud.

The program also administers funding to local district attorneys for the prosecution of workers’ compensation and automobile insurance fraud crimes.

Major Budget Adjustment Proposed for 2002–03

- Other Reductions
 - \$80,000 Insurance Fund and 2.0 positions (\$58,000 personal services, \$12,000 benefits, and \$10,000 operating expenses) per Control Section 31.60.

Major Budget Adjustment Proposed for 2003–04

- Other Reductions
 - \$80,000 Insurance Fund and 2.0 positions (\$58,000 personal services, \$12,000 benefits, and \$10,000 operating expenses) per Control Section 31.60.

Authority

Insurance Code Sections, Chapter 12, Sections 1871–1879.

0845 DEPARTMENT OF INSURANCE—Continued**30 TAX COLLECTION AND AUDIT****Program Objectives Statement**

This program performs tax collection, accounting, and tax audits of insurance companies and surplus line brokers. The program staff audits tax returns to determine compliance with the rules and regulations contained in both the Insurance and Revenue and Taxation Codes. The program staff proposes tax assessments to the Board of Equalization based on its audit findings. It assists the Board of Equalization and the State Controllers' Office with various refund, assessment, and accounting matters relative to the various premium taxpayers.

Authority

Insurance Code, Sections 1774–1780.
Revenue and Taxation Code, Part 7 of Division 2.

40 EARTHQUAKE GRANTS AND LOANS**Program Objectives Statement**

This program provides residential grants and loans to retrofit high-risk residential dwellings owned or occupied by low to moderate income households to minimize the risk of future earthquake damage to those dwellings. Since the program's inception in 1996, the Department has funded the retrofitting of approximately 1,785 homes through its grant program. In addition, 14 homes have been retrofitted through the loan program. The Department anticipates that 300 more homes will be retrofitted during fiscal year 2002–03 and another 250 homes in fiscal year 2003–04. The program is authorized to be in effect until December 1, 2004.

Authority

Chapter 899, Statutes of 1995.
Chapter 796, Statutes of 1999.
Chapter 895, Statutes of 2001.

50 ADMINISTRATION**Program Objectives Statement**

The Administration Program provides the overall policy direction for the Department from the Commissioner's Office as well as administrative support services. This program consists of: the Special Projects Office to coordinate special priority projects as directed by the Commissioner; Legislative Office to support consumers through legislative advocacy; Internal Audits/Information Security Office to ensure adherence to federal, state, and departmental policies, mandates and procedures; Media Relations Office to provide information to the public and the media about the Department's mission to protect California consumers; the support services in the Administration & Licensing Services Branch provide budget and revenue management, accounting, human resources, and business management services for the department; and the E-Government & Technology Solutions Branch provides the blueprint to implement regulatory practices compatible with new technological advancements and provides all other IT maintenance and support activities.

Major Budget Adjustment Proposed for 2002–03

- Other Reductions
 - \$78,000 Insurance Fund and 1.0 position (\$56,000 personal services, \$12,000 benefits, and \$10,000 operating expenses) per Control Section 31.60.

Major Budget Adjustment Proposed for 2003–04

- Other Reductions
 - \$78,000 Insurance Fund and 1.0 position (\$56,000 personal services, \$12,000 benefits, and \$10,000 operating expenses) per Control Section 31.60.

Authority

Chapter 722, Statutes of 1982.

PROGRAM BUDGET DETAIL**PROGRAM REQUIREMENTS****10 REGULATION OF INSURANCE COMPANIES AND INSURANCE PRODUCERS**

	<i>2001–02*</i>	<i>2002–03*</i>	<i>2003–04*</i>
State Operations:			
10.30 Rate Regulation.....	\$16,640	\$19,729	\$19,715
10.40 Regulatory.....	15,391	17,330	17,323
10.51 Licensing.....	16,430	15,275	15,266
10.70 Special Programs.....	4,738	4,495	4,508
Totals, State Operations.....	\$53,199	\$56,829	\$56,812
State Operations:			
0217 Insurance Fund.....	53,199	56,579	56,562
0995 Reimbursements.....	—	250	250

* Dollars in thousands, except in Salary Range.

0845 DEPARTMENT OF INSURANCE—Continued

PROGRAM REQUIREMENTS

12 CONSUMER PROTECTION

		2001-02*	2002-03*	2003-04*
State Operations:				
12.10	Legal Compliance	\$7,880	\$7,736	\$7,755
12.20	Investigations	9,915	11,451	11,243
12.30	Consumer Services and Market Conduct	21,862	22,669	22,750
Totals, State Operations		\$39,657	\$41,856	\$41,748
State Operations:				
0217	Insurance Fund	39,657	41,856	41,748

PROGRAM REQUIREMENTS

20 FRAUD CONTROL

0217 Insurance Fund:

State Operations:				
20.10	Fraud-Auto	\$19,068	\$17,644	\$16,909
20.20	Fraud-Workers' Compensation	12,167	14,578	15,390
20.30	Fraud-General Assessment	1,551	1,808	1,808
Totals, State Operations		\$32,786	\$34,030	\$34,107
Local Assistance:				
20.10	Fraud-Auto	15,130	15,147	14,382
20.20	Fraud-Workers' Compensation	17,286	17,050	19,364
Totals, Local Assistance		\$32,416	\$32,197	\$33,746
State Operations:				
0217	Insurance Fund	32,786	34,030	34,107
Local Assistance:				
0217	Insurance Fund	32,416	32,197	33,746

PROGRAM REQUIREMENTS

30 TAX COLLECTION AND AUDIT

State Operations:				
0001	General Fund/0217 Insurance Fund	\$1,057	\$1,802	\$1,821
Totals, State Operations		\$1,057	\$1,802	\$1,821

PROGRAM REQUIREMENTS

40 EARTHQUAKE GRANTS AND LOANS

0285 California Residential Earthquake Recovery Fund:

State Operations		\$263	\$265	\$265
Local Assistance		1,632	1,400	559

TOTAL EXPENDITURES

State Operations		\$126,962	\$134,782	\$134,753
Local Assistance		34,048	33,597	34,305
TOTALS, EXPENDITURES		\$161,010	\$168,379	\$169,058

SUMMARY BY OBJECT

1 STATE OPERATIONS

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A)	1,247.1	1,342.8	1,325.8	\$69,995	\$75,378	\$75,993
Total Adjustments	—	—31.0	—30.0	—	—846	—846
Estimated Salary Savings	—	—67.3	—55.2	—	—3,398	—3,428
Net Totals, Salaries and Wages	1,247.1	1,244.5	1,240.6	\$69,995	\$71,134	\$71,719
Staff Benefits	—	—	—	14,506	14,766	14,353
Totals, Personal Services	1,247.1	1,244.5	1,240.6	\$84,501	\$85,900	\$86,072
OPERATING EXPENSES AND EQUIPMENT				\$42,461	\$48,882	\$48,681
TOTALS, EXPENDITURES				\$126,962	\$134,782	\$134,753

* Dollars in thousands, except in Salary Range.

0845 DEPARTMENT OF INSURANCE—Continued

RECONCILIATION WITH APPROPRIATIONS

1 STATE OPERATIONS

0001 General Fund

APPROPRIATIONS	2001-02*	2002-03*	2003-04*
001 Budget Act appropriation	\$1,131	—	—
Adjustment per Section 3.60	21	—	—
Adjustment per Section 3.20 as added by Chapter 1, Statutes of 2002, Third Extraordinary Session	-32	—	—
Totals Available	\$1,120	—	—
Unexpended balance, estimated savings	-63	—	—
TOTALS, EXPENDITURES	\$1,057	—	—

0217 Insurance Fund

APPROPRIATIONS			
001 Budget Act appropriation	\$124,924	\$132,318	\$134,238
Allocation for employee compensation	567	1,319	—
Adjustment per Section 3.60	2,874	2,371	—
Adjustment per Section 4.60	203	—	—
Adjustment per Section 4.00	-131	—	—
Allocation for Department of Justice Attorney Services	37	—	—
Allocation for Americans with Disabilities Act (ADA) Barrier Removal	34	—	—
Adjustment per Section 31.60	—	-1,664	—
Adjustment per Section 4.20	—	-18	—
Transfer to Legislative Claims (9670)	—	-59	—
011 Budget Act appropriation (Transfer to the General Fund)	—	(10,000)	—
Totals Available	\$128,508	\$134,267	\$134,238
Unexpended balance, estimated savings	-2,866	—	—
TOTALS, EXPENDITURES	\$125,642	\$134,267	\$134,238

0285 California Residential Earthquake Recovery Fund

APPROPRIATIONS			
Prior year balances available:			
Chapter 899, Budget Act of 1995 as amended by Chapter 796, Budget Act of 1999	\$257	\$259	\$259
Transfer from Local Assistance	265	265	6
Totals Available	\$522	\$524	\$265
Balance available in subsequent years	-259	-259	—
TOTALS, EXPENDITURES	\$263	\$265	\$265

0995 Reimbursements

APPROPRIATIONS			
Reimbursements	—	\$250	\$250
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$126,962	\$134,782	\$134,753

RECONCILIATION WITH APPROPRIATIONS

2 LOCAL ASSISTANCE

0217 Insurance Fund

APPROPRIATIONS	2001-02*	2002-03*	2003-04*
101 Budget Act appropriation	\$32,416	\$33,746	\$33,746
Totals Available	\$32,416	\$33,746	\$33,746
Unexpended balance, estimated savings	—	-1,549	—
TOTALS, EXPENDITURES	\$32,416	\$32,197	\$33,746

* Dollars in thousands, except in Salary Range.

0845 DEPARTMENT OF INSURANCE—Continued

0285 California Residential Earthquake Recovery Fund

APPROPRIATIONS

	2001-02*	2002-03*	2003-04*
Prior year balances available:			
Chapter 899, Budget Act of 1995 as amended by Chapter 796, Budget Act of 1999 and Chapter 895, Budget Act of 2001.....	\$2,627	\$2,230	\$565
Transfer to State Operations.....	-265	-265	-6
Revised expenditure authority per Chapter 895, Statutes of 2001	1,500	-	-
Totals Available	\$3,862	\$1,965	\$559
Balance available in subsequent years	-2,230	-565	-
TOTALS, EXPENDITURES	\$1,632	\$1,400	\$559
TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)	\$34,048	\$33,597	\$34,305
TOTALS, EXPENDITURES, ALL FUNDS (State Operations and Local Assistance)	\$161,010	\$168,379	\$169,058

FUND CONDITION STATEMENT

0217 Insurance Fund ^s

	2001-02*	2002-03*	2003-04*
BEGINNING BALANCE.....	\$37,843	\$26,529	\$9,697
Prior year adjustments	-1,021	-	-
Balance, Adjusted.....	\$36,822	\$26,529	\$9,697
REVENUES AND TRANSFERS			
Revenues:			
123100 Insurance company license fees.....	25,290	25,997	25,069
123200 Insurance company fees, examination.....	18,323	18,425	17,459
127100 Insurance company fees, Prop 103	23,049	24,716	24,562
127200 Insurance company fees, general	15,250	17,092	16,822
127300 Insurance fraud assessment, workers' compensation.....	31,670	31,000	31,000
127400 Insurance fraud assessment, auto	29,381	39,091	38,445
127500 Insurance fraud assessment, general.....	1,797	1,808	1,808
131600 Fingerprint identification card fees	-	-	-
141200 Sales of documents.....	134	127	50
142500 Miscellaneous services to the public	86	100	100
150300 Income from surplus money investments	792	798	776
161000 Escheat of unclaimed checks and warrants	68	-	-
161400 Miscellaneous revenue	155	102	1,397
161900 Other revenue—cost recoveries	1,773	1,984	1,906
Totals, Revenues	\$147,768	\$161,240	\$159,394
Transfers:			
Transfer to General Fund—Loan per Item 0845-011-0127, Budget Act 2002 ..	-	-10,000	-
Totals, Revenues and Transfers.....	\$147,768	\$151,240	\$159,394
Totals, Resources	\$184,590	\$177,769	\$169,091
EXPENDITURES			
Disbursements:			
0845 Department of Insurance:			
State Operations	125,642	134,267	134,238
Local Assistance	32,416	32,197	33,746
8690 Seismic Safety Commission (State Operations).....	-	-	884
9670 Legislative Claims (State Operations).....	3	59	-
9900 Statewide Administration (Pro Rata) (Local Assistance).....	-	1,549	-
Totals, Disbursements	\$158,061	\$168,072	\$168,868
FUND BALANCE.....	\$26,529	\$9,697	\$223
Reserve for economic uncertainties	26,529	9,697	223

NOTE: Ending Fund Balance for 0217 Insurance Fund contains moneys restricted for the purpose of Proposition 103 and fraud activities.

* Dollars in thousands, except in Salary Range.

0845 DEPARTMENT OF INSURANCE—Continued

0285 California Residential Earthquake Recovery Fund ^s	2001-02*	2002-03*	2003-04*
BEGINNING BALANCE.....	\$6,752	\$5,369	\$3,820
Prior year adjustments	-19	-	-
Balance, Adjusted.....	\$6,733	\$5,369	\$3,820
REVENUES AND TRANSFERS			
Revenues:			
150300 Income from surplus money investments	139	100	50
161900 Other revenue—cost recoveries	392	16	-
Totals, Revenues	\$531	\$116	\$50
Totals, Resources	\$7,264	\$5,485	\$3,870
EXPENDITURES			
Disbursements:			
0845 Department of Insurance:			
State Operations	263	265	265
9900 Statewide General Administrative (Pro Rata) (State Operations)	-	-	58
Local Assistance	1,632	1,400	559
Totals, Disbursements.....	\$1,895	\$1,665	\$882
FUND BALANCE.....	\$5,369	\$3,820	\$2,988
Reserve for economic uncertainties	5,369	3,820	2,988

0548 Title Insurance Fund ^s

BEGINNING BALANCE.....	\$116	-	-
REVENUES AND TRANSFERS			
Transfers to Other Funds:			
T00001 General Fund per Government Code Section 13306	-116	-	-
Totals, Revenues and Transfers.....	-\$116	-	-
Totals, Resources	-	-	-
EXPENDITURES			
Disbursements:			
0845 Department of Insurance (State Operations).....	-	-	-
FUND BALANCE.....	-	-	-
Reserve for economic uncertainties	-	-	-

CHANGES IN AUTHORIZED POSITIONS				2001-02*	2002-03*	2003-04*
Totals, Authorized Positions	1,247.1	1,342.8	1,325.8	\$69,995	\$75,378	\$75,993
Salary adjustments.....	-	-	-	-	363	363
Totals, Adjusted Authorized Positions	1,247.1	1,342.8	1,325.8	\$69,995	\$75,741	\$76,356
Adjustment per Control Section 31.60:						
Administration and Licensing Services						
Branch:				Salary Range		
Adm Law Judge	-	-1.0	-1.0	6,734-8,144	-81	-81
Prog Techn II	-	-1.0	-1.0	2,348-2,855	-28	-28
Consumer Services and Market Conduct						
Branch:						
Assoc Ins Compliance Ofcr	-	-2.0	-2.0	4,110-4,997	-98	-98
Assoc Ins Rate Analyst	-	-1.0	-1.0	4,110-4,997	-49	-49
Criminal Investigations Branch:						
Assoc Ins Investigator	-	-1.0	-1.0	4,143-4,999	-50	-50
Fraud Investigator	-	-1.0	-1.0	3,307-4,999	-40	-40
Ins Investigator	-	-10.0	-10.0	2,642-4,546	-310	-310
Ofc Techn-Typing	-	-1.0	-1.0	2,348-2,905	-29	-29
Student Asst.....	-	-2.0	-1.0	1,362-1,814	-32	-32
Exam Proctor	-	-1.0	-1.0	10.55-10.96/hr	-4	-4

* Dollars in thousands, except in Salary Range.

0845 DEPARTMENT OF INSURANCE—Continued

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
E-Government and Technology Solutions						
Branch:				Salary Range		
Sr Prog Analyst-Supvr	—	-1.0	-1.0	\$4,958-6,026	-\$59	-\$59
Executive Branch:						
Assoc Mgmt Auditor	—	-1.0	-1.0	4,110-4,997	-49	-49
Ofc Asst-Typing	—	-1.0	-1.0	1,908-2,515	-23	-23
Financial Surveillance Branch:						
Sr Life Actuary	—	-1.0	-1.0	6,823-8,294	-82	-82
Sr Ins Examiner-Spec	—	-2.0	-2.0	4,724-6,307	-114	-114
Ins Examiner	—	-2.0	-2.0	2,764-4,338	-66	-66
Legal Branch:						
Staff Counsel III-Spec	—	-1.0	-1.0	6,573-8,111	-79	-79
Student Asst	—	-1.0	-1.0	1,362-1,814	-16	-16
Total	—	-31.0	-30.0	—	-\$1,209	-\$1,209
Total Adjustments	—	-31.0	-30.0	—	-\$846	-\$846
TOTALS, SALARIES AND WAGES	1,247.1	1,311.8	1,295.8	\$69,995	\$74,532	\$75,147

0850 CALIFORNIA STATE LOTTERY COMMISSION

The California Constitution authorizes the establishment of a statewide lottery. An initiative statute, the California State Lottery Act of 1984, created the California State Lottery Commission and gave it broad powers to oversee the operations of a statewide lottery. The primary purpose of the Act is to provide supplemental monies to benefit public education without the imposition of additional or increased taxes. The Lottery is administered by a five-person Commission appointed by the Governor with the concurrence of the State Senate.

The statute requires that not less than 84 percent of the total annual revenues from the sale of state lottery tickets shall be returned to the public in the form of prizes and net revenues to benefit public education. Fifty (50) percent of the total annual revenues shall be returned to the public in the form of prizes. At least 34 percent of those revenues shall be allocated to the benefit of public education, and no more than 16 percent of the revenues are to be used for administrative costs. The Commission may also use a portion of its administrative funds to pay for prizes in order to increase sales and revenues to education. Those revenues allocated to the benefit of public education are to be placed in a special fund, known as the California State Lottery Education Fund, which is appropriated for the benefit of public education and which holds revenues until they are allocated on a per capita basis, using prior year certified Average Daily Attendance data, to the following four categories: K-12 education, Community Colleges, the California State University and the University of California. These funds, which augment, rather than replace, funds already allocated for public education, are to be spent exclusively for instructional purposes, and may not be spent for acquisition of real property, construction of facilities, financing of research, or other noninstructional purposes.

By a legislative initiative in March 2000, the Lottery Act was amended to provide that one-half of the amount of the share allocated to public education in excess of the amount allocated to education in fiscal year 1997-98 shall be allocated to school and community college districts for the purchase of instructional materials.

In the 17 years from the start of sales in October 1985 through June 30, 2002, the California State Lottery has raised over \$14 billion for public education.

Because of the inherently variable nature of lottery ticket sales, revenue estimates for 2002-03 and 2003-04 cannot be made with certainty.

Authority

California Government Code, Title 2, Division 1, Chapter 12.5 (Sections 8880-8880.72).

STATEMENT OF OPERATIONS	2001-02*	2002-03*	2003-04*
Lottery sales	\$2,896,373	\$2,800,000	\$2,800,000
Less prizes	1,502,967	1,469,840	1,469,840
Sales after prizes	\$1,393,406	\$1,330,160	\$1,330,160
Less Game Costs:			
Retailer costs	198,065	194,686	194,686
On-line game costs	47,251	40,300	40,300
Off-line game costs	32,878	39,502	39,502
Totals, Game Costs	\$278,194	\$274,488	\$274,488
Income before operating expenses	1,115,212	1,055,672	1,055,672
Operating Expenses:			
Salaries, wages and benefits	36,903	40,194	40,194
Advertising	30,421	23,273	23,273
Promotion, public relations and point of sale	11,234	8,365	8,365
Other professional services	8,110	9,018	9,018
Depreciation and amortization	7,972	9,601	9,601
Other general and administrative expenses	10,064	13,221	13,221
Totals, Operating Expenses	\$104,704	\$103,672	\$103,672

For the list of standard (lettered) footnotes, see the end of the Governor's Budget.

* Dollars in thousands, except in Salary Range.

0850 CALIFORNIA STATE LOTTERY COMMISSION—Continued

	2001–02*	2002–03*	2003–04*
Operating income.....	\$1,010,508	\$952,000	\$952,000
Interest income	16,222	20,000	20,000
Other income	455	—	—
Net Income	\$1,027,185	\$972,000	\$972,000
Unclaimed on-line prizes	35,263	35,000	35,000
NET INCOME, DUE TO EDUCATION FUND	\$1,062,448	\$1,007,000	\$1,007,000

0562 State Lottery Fund**APPROPRIATIONS**

001 Budget Act appropriation (revised estimated expenditures).....	(\$382,898)	(\$382,375)	(\$382,375)
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DISTRIBUTION OF STATE LOTTERY EDUCATION FUND REVENUES

	2001–02*	2002–03*	2003–04*
Department of Education	\$852,555	\$808,058	\$808,058
California Community Colleges	148,499	140,750	140,750
California State University/California Maritime Academy	35,079	33,249	33,249
University of California	20,694	19,614	19,614
Hastings College of Law	150	143	143
California Youth Authority	543	515	515
State Special Schools	119	113	113
Department of Developmental Services.....	4,197	3,978	3,978
Department of Mental Health	612	580	580
TOTALS	\$1,062,448	\$1,007,000	\$1,007,000

0855 CALIFORNIA GAMBLING CONTROL COMMISSION

Chapter 867, Statutes of 1997 (SB 8) created, effective January 1, 1999, the California Gambling Control Commission (Commission). Pursuant to statute and Executive Order D-29-01, the five member Commission is appointed by the Governor, subject to Senate confirmation, and is vested with setting policy, issuing licenses, administering, adjudicating, and regulating all matters related to controlled gambling in this state. The Commission has jurisdiction over the operation, concentration, and supervision of gambling establishments of this state and over all persons or things having to do with the operations of gambling establishments. Specifically, the Commission's responsibilities include:

- Assuring that licenses, approval, and permits are not issued to, or held by, unqualified or disqualified persons, or by persons whose operations are conducted in a manner that is inimical to the public health, safety, or welfare, and
- Assuring that there is not material involvement directly, or indirectly, with a licensed gambling operation, or the ownership or management thereof, by unqualified or disqualified persons, or by persons whose operations are conducted in a manner that is inimical to the public health, safety, or welfare.

In addition, pursuant to the Tribal State Gaming Compacts and Executive Order D-31-02, the Commission is responsible for (1) administering the gaming device license draw process, (2) controlling, collecting and accounting for all gaming device license fees, (3) making findings of suitability regarding key employees of tribal gaming operations and (4) ensuring the allocation of gaming devices among California Indian tribes does not exceed the allowable number provided in the Compacts. Included with this responsibility is serving as Trustee for the Revenue Sharing Trust Fund and Administrator of the Special Distribution Fund.

Major Budget Adjustment Proposed for 2002–03

- Other Reductions
 - \$80,000 (\$47,000 Indian Gaming Special Distribution Fund, \$33,000 Gambling Control Fund) and 1.9 personnel years pursuant to Control Section 31.60.

Major Budget Adjustments Proposed for 2003–04

- Other Reductions
 - \$80,000 (\$47,000 Indian Gaming Special Distribution Fund, \$33,000 Gambling Control Fund) and 1.9 personnel years pursuant to Control Section 31.60.
 - An augmentation of \$541,000 (\$379,000 Indian Gaming Special Distribution Fund, \$162,000 Gambling Control Fund) and 5.8 personnel years to address compliance, licensing, and administrative workload for the Commission.

Authority

Business and Professions Code, Division 8, Chapter 5, Article 2, Section 19810A–19823A, Article 3 (commencing with Section 19830A).

For the list of standard (lettered) footnotes, see the end of the Governor's Budget.

* Dollars in thousands, except in Salary Range.

0855 CALIFORNIA GAMBLING CONTROL COMMISSION—Continued

SUMMARY OF PROGRAM

REQUIREMENTS

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
10 California Gambling Control						
Commission	20.3	39.0	44.7	\$33,355	\$50,975	\$51,498
0366 Indian Gaming Revenue Sharing Trust Fund				30,574	46,000	46,000
0367 Indian Gaming Special Distribution Fund				1,890	2,951	3,344
0567 Gambling Control Fund				891	2,024	2,154

SUMMARY BY OBJECT

1 STATE OPERATIONS

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A)	20.3	43.0	43.0	\$1,399	\$2,656	\$2,711
Total Adjustments	—	-2.0	4.0	—	-67	295
Estimated Salary Savings	—	-2.0	-2.3	—	-129	-150
Net Totals, Salaries and Wages	20.3	39.0	44.7	\$1,399	\$2,460	\$2,856
Staff Benefits	—	—	—	236	449	523
Totals, Personal Services	20.3	39.0	44.7	\$1,635	\$2,909	\$3,379
OPERATING EXPENSES AND EQUIPMENT				\$1,146	\$2,066	\$2,119
TOTALS, EXPENDITURES				\$2,781	\$4,975	\$5,498

RECONCILIATION WITH APPROPRIATIONS

1 STATE OPERATIONS

0001 General Fund

	2001-02*	2002-03*	2003-04*
APPROPRIATIONS			
011 Budget Act appropriation (Transfer to Indian Gaming Special Distribution Fund)	(\$2,482)	—	—
Adjustment per Section 3.60	(51)	(-)	—
TOTALS, EXPENDITURES	—	—	—

0367 Indian Gaming Special Distribution Fund

APPROPRIATIONS			
001 Budget Act appropriation	\$2,482	\$2,941	\$3,344
Allocation for employee compensation	4	43	—
Adjustment per Section 3.60	51	14	—
Adjustment per Section 31.60	—	-47	—
Totals Available	\$2,537	\$2,951	\$3,344
Unexpended balance, estimated savings	-647	—	—
TOTALS, EXPENDITURES	\$1,890	\$2,951	\$3,344

0567 Gambling Control Fund

APPROPRIATIONS			
001 Budget Act appropriation	\$1,732	\$2,017	\$2,154
Allocation for employee compensation	2	10	—
Adjustment per Section 3.60	34	30	—
Adjustment per Section 4.00	-7	—	—
Adjustment per Section 31.60	—	-33	—
Totals Available	\$1,761	\$2,024	\$2,154
Unexpended balance, estimated savings	-870	—	—
TOTALS, EXPENDITURES	\$891	\$2,024	\$2,154
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$2,781	\$4,975	\$5,498

* Dollars in thousands, except in Salary Range.

0855 CALIFORNIA GAMBLING CONTROL COMMISSION—Continued

RECONCILIATION WITH APPROPRIATIONS

2 LOCAL ASSISTANCE

0366 Indian Gaming Revenue Share Trust Fund

	2001-02*	2002-03*	2003-04*
APPROPRIATIONS			
101 Budget Act appropriation	\$1	\$46,000	\$46,000
Revised expenditure authority per Provision 2 and 3.....	33,212	—	—
Totals Available	\$33,213	\$46,000	\$46,000
Unexpended balance, estimated savings	-2,639	—	—
TOTALS, EXPENDITURES	\$30,574	\$46,000	\$46,000
TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)	\$30,574	\$46,000	\$46,000
TOTALS, EXPENDITURES, ALL FUNDS (State Operations and Local Assistance)	\$33,355	\$50,975	\$51,498

FUND CONDITION STATEMENT

0367 Indian Gaming Special Distribution Fund ^s

	2001-02*	2002-03*	2003-04*
BEGINNING BALANCE.....	\$20	\$18	\$5,538
Prior year adjustments	-511	—	—
Balance, Adjusted.....	-\$491	\$18	\$5,538
REVENUES AND TRANSFERS			
Revenues:			
150300 Income from surplus money investments	42	128	1,935
161400 Miscellaneous revenue	—	38,000	77,269
Totals, Revenues	\$42	\$38,128	\$79,204
Transfers:			
Transfers from Other Funds:			
F00001 General Fund loan per Item 0820-011-0001, Budget Act of 2001 ..	7,600	—	—
F00001 General Fund loan per Item 0855-011-0001, Budget Act of 2001 ..	2,482	—	—
Totals, Transfers from Other Funds	\$10,082	—	—
Transfers to Other Funds:			
T00001 General Fund loan repayment per Chapter 23, Statutes of 2001 ...	—	-1,131	—
T00001 General Fund loan repayment per Item 0855-011-0001, Budget Act of 2001	—	-2,482	—
T00001 General Fund loan repayment per Item 0820-011-0001, Budget Act of 2000	—	-15,496	—
T03045 California Indian Assistance Fund per pending legislation.....	—	—	-220
Totals, Transfers to Other Funds.....	—	-\$19,109	-\$220
Totals, Revenues and Transfers	\$10,124	\$19,019	\$78,984
Totals, Resources	\$9,633	\$19,037	\$84,522

EXPENDITURES

Disbursements:			
0820 Department of Justice (State Operations)	7,723	10,188	9,971
0855 California Gambling Control Commission (State Operations).....	1,890	2,951	3,344
3780 Native American Heritage Commission (State Operations).....	—	—	341
8380 Department of Personnel Administration (State Operations)	2	347	51
9900 Statewide General Administrative (Pro Rata) (State Operations)	—	13	—
Totals, Disbursements	\$9,615	\$13,499	\$13,707
FUND BALANCE.....	\$18	\$5,538	\$70,815

0567 Gambling Control Fund ^s

BEGINNING BALANCE.....	\$4,896	\$3,105	\$464
Prior year adjustments	-397	—	—
Balance, Adjusted.....	\$4,499	\$3,105	\$464

* Dollars in thousands, except in Salary Range.

0855 CALIFORNIA GAMBLING CONTROL COMMISSION—Continued**REVENUES AND TRANSFERS**

Revenues:		2001-02*	2002-03*	2003-04*
125700	Other regulatory licenses and permits.....	\$131	\$131	\$400
125800	Renewal fees.....	4,224	4,224	4,224
142500	Miscellaneous services to the public.....	239	239	2,663
150300	Income from surplus money investments.....	143	143	145
Totals, Revenues.....		\$4,737	\$4,737	\$7,432
Totals, Revenues and Transfers.....		\$4,737	\$4,737	\$7,432
Totals, Resources.....		\$9,236	\$7,842	\$7,896
EXPENDITURES				
Disbursements:				
0820	Department of Justice (State Operations).....	5,240	5,354	5,363
0855	California Gambling Control Commission (State Operations).....	891	2,024	2,154
Totals, Expenditures.....		\$6,131	\$7,378	\$7,517
FUND BALANCE.....		\$3,105	\$464	\$379
Reserve for economic uncertainties.....		3,105	464	379

CHANGES IN**AUTHORIZED POSITIONS**

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
Totals, Authorized Positions.....	20.3	43.0	43.0	\$1,399	\$2,656	\$2,711
Adjustment per Control Section 31.60:						
Executive Office:						
Ofc Asst.....	—	-1.0	-1.0	Salary Range 1,845-2,465	-18	-18
Licensing Oversight:						
Assoc Mgt Auditor.....	—	-1.0	-1.0	4,100-4,997	-49	-49
Proposed New Positions:						
Support Services:						
Staff Svcs Mgt I.....	—	—	1.0	4,520-5,453	—	60
Licensing Oversight:						
Staff Mgt Auditor.....	—	—	1.0	4,520-5,453	—	65
Assoc Mgt Auditor.....	—	—	3.0	4,110-4,997	—	180
Assoc Govtl Prog Analyst.....	—	—	1.0	3,915-4,759	—	57
Total Adjustments.....	—	-2.0	4.0	—	-\$67	\$295
TOTALS, SALARIES AND WAGES.....	20.3	41.0	47.0	\$1,399	\$2,589	\$3,006

0860 STATE BOARD OF EQUALIZATION

The mission of the State Board of Equalization is to serve the public through fair, effective, and efficient tax administration. The State Board of Equalization collects a wide range of taxes and fees for support of State and local government services. Included are: Sales and Use Taxes (State, Local, and Transit District); Motor Vehicle Fuel License (Gasoline) Tax; Diesel and Use Fuel Tax; Alcoholic Beverage Tax; Cigarette Tax; Cigarette and Tobacco Products Surtax; Insurance Tax; Energy Resources Surcharge; Emergency Telephone Users Surcharge; Hazardous Substances Tax; Integrated Waste Management Fee; Underground Storage Tank Fee; Oil Spill Prevention Fee; Occupational Lead Poisoning Prevention Fee; Childhood Lead Poisoning Prevention Fee; Tire Recycling Fee; Private Railroad Car Tax; Timber Yield Tax; and Natural Gas Surcharge Tax. The Board also administers utility assessments for local property tax purposes, and provides guidance to local government in the administration of property tax.

The Board is composed of five members (constitutional officers) and was established by the State Constitution. Four of the five members are elected specifically to represent equalization districts, and the State Controller serves as an ex officio, voting member.

The Board operates in 27 locations throughout California (as well as offices in New York, Chicago, and Houston) and administers audit and collection programs generating tax revenues. During fiscal year 2003-04, it is estimated that \$45 billion in tax revenue will be generated.

The Board also adopts rules and regulations for the administration of the business taxes programs and to guide county assessors, boards of supervisors, and local assessment appeals boards in valuing property as part of the property tax program.

As an appellate body, the Board adjudicates appeals from county officials on intra-county and inter-county property tax assessments, public utilities on assessments of utility properties, and assesseees on privately owned railroad cars. In addition, the Board adjudicates appeals under the various business taxes laws (e.g., sales and use tax and insurance tax), the Personal Income Tax, Bank and Corporation Tax, and Senior Citizens Property Tax.

For the list of standard (lettered) footnotes, see the end of the Governor's Budget.

* Dollars in thousands, except in Salary Range.

0860 STATE BOARD OF EQUALIZATION—Continued

SUMMARY OF PROGRAM
REQUIREMENTS

		01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
15	County Assessment Standards						
	Program	90.0	86.7	86.6	\$8,271	\$7,973	\$8,053
20	State-Assessed Property Program ...	81.3	75.7	75.7	6,175	6,583	6,649
25	Timber Tax Program.....	23.3	23.7	23.8	1,975	1,934	2,042
30	Sales and Use Tax Program.....	3,164.7	3,001.5	2,948.8	252,264	258,764	258,721
35	Hazardous Substances Tax						
	Program	51.4	49.4	49.4	3,543	3,693	3,730
40	Alcoholic Beverage Tax Program ...	21.3	21.2	21.2	1,920	2,027	2,048
41	Tire Recycling Fee Program.....	12.3	9.4	9.4	799	765	772
45	Cigarette and Tobacco Products						
	Tax Program	74.1	70.4	72.6	8,574	8,994	9,591
50	Motor Vehicle Fuel License Tax						
	Program	30.8	40.9	40.9	4,191	4,828	4,888
55	Diesel and Use Fuel Tax Program ..	151.9	149.8	149.7	16,161	16,673	16,880
56	Occupational Lead Poisoning						
	Prevention Fee Program	8.8	7.6	7.6	631	597	618
57	Integrated Waste Management						
	Program	3.8	4.4	4.4	343	398	413
58	Underground Storage Tank Fee						
	Program	29.4	19.6	19.6	2,459	1,995	2,058
59	Oil Spill Prevention Program.....	3.3	2.2	2.2	321	233	243
60	Energy Resources Surcharge						
	Program	2.6	2.4	2.4	237	244	250
62	Childhood Lead Poisoning						
	Prevention Fee Program	4.3	5.0	5.0	384	437	457
63	Ballast Water Management Fee						
	Program	5.0	5.4	5.4	371	403	407
65	Emergency Telephone Users						
	Surcharge Program	6.2	6.0	6.0	639	625	633
70	Insurance Tax Program.....	3.9	3.7	3.7	379	338	341
75	Natural Gas Surcharge Program.....	1.4	2.5	2.5	129	306	369
80	Appeals from Other Governmental						
	Programs	17.3	15.1	15.1	1,541	1,404	1,418
85.01	Administration	361.7	361.7	361.7	30,317	31,075	30,317
85.02	Distributed Administration	-361.7	-361.7	-361.7	-29,650	-30,259	-29,501
TOTALS, PROGRAMS.....		3,787.1	3,602.6	3,552.0	\$311,974	\$320,030	\$321,397
0001	General Fund.....				191,009	199,133	199,169
0004	Breast Cancer Fund				124	131	144
0022	State Emergency Telephone Number Account				756	625	633
0061	Motor Vehicle Fuel Account, Transportation Tax Fund				20,336	20,740	21,625
0070	Occupational Lead Poisoning Prevention Account				601	597	618
0080	Childhood Lead Poisoning Prevention Fund				534	437	457
0230	Cigarette and Tobacco Products Surtax Fund				1,545	2,105	2,320
0320	Oil Spill Prevention and Administration Fund				267	233	243
0387	Integrated Waste Management Account, Integrated Waste Management						
	Fund.....				393	398	413
0439	Underground Storage Tank Cleanup Fund				1,919	1,995	2,058
0465	Energy Resources Programs Account				228	244	250
0623	California Children and Families First Trust Fund				959	1,946	2,280
0890	Federal Trust Fund				7	103	103
0965	Timber Tax Fund				2,494	1,934	2,042
0995	Reimbursements				90,769	89,103	88,673
3015	Gas Consumption Surcharge Fund				33	306	369

15 COUNTY ASSESSMENT STANDARDS PROGRAM

Program Objectives Statement

This program carries out the Board's constitutional and statutory responsibility of ensuring that taxable properties are enrolled and that all properties are assessed by the 58 county assessors in full conformity with the law, assuring a complete and equitable tax base that is fair to taxpayers and supports both local agencies and the State's General Fund. The Board is also charged with providing consultation and services to county assessors, their staff, and others involved with the assessing function to aid them in distributing property tax assessments legally and equitably among property owners. The County Assessment Standards Program establishes standards, provides training for assessors and assessment appeals boards, and evaluates the effectiveness of each county assessor's administration of the assessment function and the degree to which the practices of the assessors' offices conform to existing law and policies.

* Dollars in thousands, except in Salary Range.

0860 STATE BOARD OF EQUALIZATION—Continued**Major Budget Adjustment Proposed for 2002–03**

- Other Reductions
 - 2.5 positions and \$172,000 pursuant to Control Section 31.60 of the 2002–03 Budget Act.

Major Budget Adjustment Proposed for 2003–04

- Other Reductions
 - 2.5 positions and \$172,000 pursuant to Control Section 31.60 of the 2002–03 Budget Act.

Authority

Constitution—Article XIII; Government Code sections 15606, 15608, 15611, 15612, 15624, and 15640–15646; Revenue and Taxation Code sections 63.1, 64, 69.5, 75.60, 169, 218.5, 251, 370, 371, 401.5, 407, 452, 480, 480.1, 482, 601, 602, 670–673, 1153, 1254, 1603, 5364, 5781, and 5840; California Administrative Code—Rules 101, 171, 202, 252, 282–283, 1045, and 1051.

Program Element Statements**15.10 County Surveys**

California taxpayers will pay an estimated \$29.6 billion in property taxes during 2002–03 to support various local governmental agencies. Approximately 97 percent of these taxes will result from valuations based on ad valorem assessments made by the 58 county assessors. Almost 48 percent of these revenues go to local agencies other than schools. Schools receive approximately one-half of the property tax revenues. Since the State is ultimately responsible for providing a specified level of funding for schools, any shortfalls in property tax revenue must be met by the State's General Fund. Because of the importance of this revenue source to the State, schools, and local government, it is necessary that a central agency provide direction, supervision, and review of local assessment practices (administrative oversight) to assure equitable treatment of all property taxpayers both within and between counties.

To accomplish these objectives, "assessment practices" and "special topics" surveys are conducted to ascertain the specific assessment practices of the 58 county assessors. The assessment practices surveys are performed over a five-year cycle and include a comprehensive audit of the assessor's operation, resulting in a report that includes recommendations and suggestions for improvement. For the 11 largest counties and 15 other counties selected either at random or for cause during the cycle, a survey also includes a random selection of a representative sampling of the local assessment roll, the appraisal by staff appraisers of the sampled assessments, and an in-depth analysis of the differences between the staff appraisals and the enrolled assessments. The survey also includes a comprehensive review of the assessment system emphasizing the principal causes for significant differences and contains recommendations for improving the systems and resulting assessments. The special topics surveys provide an in-depth evaluation of the problems associated with current assessment issues that have a statewide impact.

15.20 Technical Advisory Services

This program carries out the Board's constitutional and legislative duties to advise and assist the 58 county assessors in compiling and standardizing (statewide) the assessment rolls of all taxable properties within their counties. The Board relies on five primary functions to fulfill this responsibility: 1) Provides technical advice on real, personal, and specialty property appraisal problems. 2) Publishes "Letters To Assessors" and prepares and revises "Assessors' Handbooks". 3) Annually prescribes the format of most forms used by the assessors, including all those requiring taxpayer entries. 4) Formulates rules that are binding on assessors and have the full force and effect of law. 5) Certifies appraisers, monitors completion of their mandatory annual training, and provides training to appraisers and assessment appeals board members.

15.30 Technical Services

The Board has three primary areas of responsibility in providing assistance to counties in administering the property taxes. 1) The Board and the counties jointly administer the welfare exemption which removes millions of dollars from the tax base of local government and schools. The assessor receives and reviews the original claim, inspects the property, and forwards the claim to the Board together with a recommendation on the applicability of the exemption. Board staff reviews the case and recommends approval or disapproval. Disapprovals are subject to an appeal to the Board. The matter is returned to the county where the assessor can act only on applications found qualifying by the Board. 2) Current law prescribes that a "change in control" of a legal entity (i.e., a corporation or partnership) is equivalent to a "change in ownership" requiring a reappraisal of the real property. Changes in control of legal entities are difficult for the assessor to find, whereas "changes in ownership" are relatively easy to locate due to the recording of ownership documents. The Board, by researching financial publications and inserting questions on the state corporate and partnership tax returns, can detect most of these transactions and advise all counties where affected real property is located. 3) Numerous exclusions from the change in ownership reappraisals have been adopted by the voters for property replacing properties taken by governmental agencies, senior citizens and disabled persons selling their residence and purchasing a replacement residence, and certain transfers among family members. Each of these exclusions must be tracked to avoid duplicate applications and to conform with the law. The Board provides a "clearinghouse" for all such claims, assuring no duplication.

20 STATE-ASSESSED PROPERTY PROGRAM**Program Objectives Statement**

The State Constitution mandates that the Board annually value and assess intercounty pipelines and properties owned or used by railroads, regulated telephone companies, companies transmitting or selling gas or electricity, and private railroad car companies. Once market values are derived for these state assessees, those values must be allocated on a county-by-county basis among the agencies of local government in which properties are located. After the values are allocated, taxes are levied and collected for use by the local agencies. The Board collects the Private Railroad Car Tax which is deposited in the State's General Fund.

Major Budget Adjustment Proposed for 2002–03

- Other Reductions
 - 0.4 position and \$21,000 pursuant to Control Section 31.60 of the 2002–03 Budget Act.

0860 STATE BOARD OF EQUALIZATION—Continued**Major Budget Adjustment Proposed for 2003–04**

- Other Reductions
 - 0.4 position and \$21,000 pursuant to Control Section 31.60 of the 2002–03 Budget Act.

Authority

Constitution—Article 13, Section 19; Revenue and Taxation Code—Division 1, Part 2; Division 2, Part 6.

Program Element Statements**20.10 Assessment of Public Utilities**

State assesses annually file property statements with the Board listing all properties by situs, together with associated costs, and provide fiscal and financial information on their operations. These and other economic data are used by staff to develop “indicators of value” which are used by the Board to determine the annual market value of the assessable property of each state assessee. Staff audits the property statements filed annually by state assesses. The Board also relies on property statement information to allocate structures, other improvements, and personal property to the appropriate counties. The Board performs periodic field appraisals of assessee’s properties to allocate land values.

All property contained on the assessment rolls must be identified to the combination of taxing jurisdictions serving that property. These taxing districts are overlapping and their boundaries are not coterminous with one another. Clusters of properties all served by the same taxing jurisdictions and having the same distribution of property tax revenues constitute a unique “tax rate area.” The Board is charged with maintaining statewide maps delineating each taxing jurisdiction. The resulting 60,000 tax rate areas are used by the county assessors in preparing the local assessment roll and state assesses in reporting their nonunitary property holdings.

20.20 Private Railroad Car Tax

The taxable value of private railroad cars is determined by the Board from cost information required of private railroad car owners on property statements and car movement information required of railroads. Information is processed using a statutory valuation formula employing the number of cars in the state and taxable value for each class of car. Assessments are prepared, tax bills are issued, and petitions for reassessment are received and processed. The revenue is deposited into the General Fund.

25 TIMBER TAX PROGRAM**Program Objectives Statement**

The Timber Tax Section administers the Timber Yield Tax by collecting revenue for the Timber Tax Fund, establishing timber value areas and the immediate harvest values for species of timber within those areas used to determine tax liability, developing a standard method of timber measurement and conversion factors where the standard cannot be used, controlling and auditing the reporting and self-assessment of the yield tax liability, and providing the data base for allocating the Timber Tax Fund to the county of harvest.

Major Budget Adjustment Proposed for 2002–03

- Other Reductions
 - 1.1 positions and \$69,000 pursuant to Control Section 31.60 of the 2002–03 Budget Act.

Major Budget Adjustment Proposed for 2003–04

- Other Reductions
 - 1.1 positions and \$69,000 pursuant to Control Section 31.60 of the 2002–03 Budget Act.

Authority

Government Code Chapter 6.7 of Part 1 of Division 1 of Title 5; Revenue and Taxation Code Article 1.7 of Chapter 3 of Part 2 of Division 1 and Part 18.5 of Division 2.

Program Element Statements**25.10 Timber Valuation**

Forest property appraisers evaluate data from sales of private timber and timber on public lands and harvests on operator-owned land for purposes of establishing a data base to be used in developing immediate harvest value schedules and evaluating future harvest report filings of taxpayers. Value schedules adopted by the Board are used by taxpayers to determine their tax liability. Field inspections provide data to evaluate both the harvest reports and tax returns at the time of an audit.

25.20 Taxpayer Registration, Return Processing, and Collection

When a taxpayer files either a harvest plan with the California Department of Forestry and Fire Protection or acquires the right to harvest timber on government land, the taxpayer is required to register with the Board unless already registered. Once identified, the taxpayer is provided with instructions on how to file tax returns and harvest reports, and delinquency controls are established on anticipated tax returns. Tax returns and harvest reports are filed along with the tax due, permitting the identification of delinquent accounts and establishing a data base for future audits where necessary.

25.30 Auditing

Taxpayers are required to report and self-declare tax liability by species, size, logging system, and location. Misreporting of the volume harvested or misclassification by species or log size category significantly alters the tax liability. Further, rather than being reported, some harvests are disclosed by a reconciliation of log deliveries at the mills. The auditors, in conjunction with the forest property appraisers, evaluate the accuracy of the self-reporting and investigate any differences.

* Dollars in thousands, except in Salary Range.

0860 STATE BOARD OF EQUALIZATION—Continued**30 SALES AND USE TAX PROGRAM****Program Objectives Statement**

This program ensures that all sales and use tax revenues are collected in an equitable and effective manner through the timely reporting of tax liability, detection and correction of errors in self-assessments, and the prompt collection of amounts determined to be due and economically recoverable.

The Board administers the Sales and Use Tax Law and the Bradley-Burns Uniform Local Sales and Use Tax Law. The Board also collects and distributes the District Transactions (sales) and use tax on behalf of voter-approved special tax districts: Bay Area Rapid Transit District, Santa Clara County Transit District, Santa Cruz Metropolitan Transit District, Los Angeles County Transportation Commission, San Mateo County Transit District, Alameda County Improvement Transportation Authority, Fresno County Transportation Authority, San Diego County Regional Transportation Commission, Inyo County Rural Counties Transaction Tax, San Mateo County Transportation Authority, Sacramento Transportation Authority, Contra Costa Transportation Authority, Riverside County Transportation Commission, San Francisco County Transportation Authority, Imperial County Local Transportation Authority, Callexico Heffernan Memorial Hospital District, Santa Barbara County Local Transportation Authority, San Bernardino County Transportation Authority, Madera County Transportation Authority, Orange County Local Transportation Authority, San Joaquin County Transportation Authority, Sonoma County Open Space Authority, San Francisco County Public Finance Authority, City of Clearlake Public Safety, Stanislaus County Library, Santa Clara County General Fund, Santa Cruz County Public Library, Napa County Flood Protection Authority, Solano County Public Library, Town of Truckee Road Maintenance District, Nevada County Public Library, Fresno County Public Library, City of Placerville Public Safety, City of Clovis Public Safety, Mariposa County Healthcare Authority, City of Woodland General Revenue, and City of Avalon Municipal Hospital and Clinic District.

Major Budget Adjustment Proposed for 2002–03

- Other Reductions
 - 70.1 positions and \$3,441,000 pursuant to Control Section 31.60 of the 2002–03 Budget Act.

Major Budget Adjustments Proposed for 2003–04

- Other Reductions
 - 70.1 positions and \$3,441,000 pursuant to Control Section 31.60 of the 2002–03 Budget Act.
 - \$3,115,000 General Fund pursuant to Control Section 31.70 of the 2002–03 Budget Act.
 - An augmentation of \$52,000 (\$36,000 General Fund, \$7,000 Special Funds and \$9,000 Reimbursements) to replace two BOE aging Delphax production printers in order to prevent the BOE from experiencing disruptions in the ability to print critical tax returns and related documents. This replacement is intended to reduce the risk of any revenue loss.
 - An augmentation of \$680,000 (\$455,000 General Fund, \$50,000 Special Funds and \$175,000 Reimbursements) to accommodate the budgetary impact of increased costs associated with workers' compensation claims and rental increases in BOE State Service Centers field offices.

Authority

Revenue and Taxation Code, Division 2, Parts 1, 1.5 and 1.6.

Program Element Statements**30.10 Registration of Taxpayers**

Registration enables the Board to furnish sellers and consumers with proper tax forms and instructions for the reporting and allocation of sales and use tax. Registration also ensures that sellers properly comply with permit requirements.

30.20 Processing Tax Returns

The returns filed are processed through the Cashier Section, the Data Entry Unit, the Verification Unit, the Return Analysis Section, or the Consumer Use Tax Section, and the Local Revenue Allocation Section for the deposit of revenue for mathematical accuracy, proper preparation, and reporting of tax according to law, and for fiscal accounting purposes. This accounting includes the proper distribution of local and district taxes. Billing and refunds are prepared to notify taxpayers of errors in self-declared tax. Taxpayers may also be contacted to explain specific deductions on their returns.

Taxpayers who fail to file returns are sent a notice of delinquency. After a reasonable period of time, taxpayers whose accounts continue to be delinquent are cited to appear at the nearest Board office to show cause why their permit(s) should not be revoked.

30.30 Auditing Accounts

This activity is statistically designed to cover the tax base in a manner that will result in audits which concentrate on those accounts considered most likely to be inaccurate in their tax reporting. A major objective of the audit selection system, which is based on the principle of marginal analysis, is to audit accounts that will produce tax deficiencies in excess of the cost of auditing. A tax deficiency is the difference between the self-assessed tax and the final determination of tax due after an audit.

30.40 Collecting Taxes Receivable

In 1996–97, the Board implemented the Automated Compliance Management System (ACMS) as part of its collection program. The ACMS automates many tasks that would otherwise be done manually; expedites the issuance of liens, levies, and warrants; and provides for on-line tracking and management of collection cases.

Field offices are primarily responsible for the collection of delinquent sales and use taxes. The effort expended on each delinquency is consistent with the amount due. Although efforts are made to accomplish collection through use of the telephone or by correspondence, field calls and the utilization of statutory remedies may become necessary when other collection efforts have been unproductive.

0860 STATE BOARD OF EQUALIZATION—Continued**35 HAZARDOUS SUBSTANCES TAX PROGRAM****Program Objectives Statement**

This program provides revenues for the Hazardous Waste Control Account and the Toxics Substances Control Account in the General Fund. The revenue is derived by collecting fees from generators of hazardous wastes, from hazardous waste facilities, and from certain corporations as identified by statute. Fees are collected by the Board for the Department of Toxic Substances Control (DTSC).

Hazardous waste “generators” and “facilities” are subject to either: 1) a generator fee paid annually from persons generating more than five tons of hazardous waste during the calendar year; or, 2) a facility fee paid annually from operators of certain hazardous waste facilities. Persons who generate hazardous wastes for shipment to an in-state facility for disposal, or who dispose of it on-site, are subject to a disposal fee. In addition to these fees, corporations with certain standard industrial codes (SIC) may owe an environmental fee based upon the number of employees. Fees are also collected from persons who receive certain services from DTSC (activity fee) or from persons operating under a permit-by-rule who owe an annual tiered permitting fee.

The objectives of the program are to ensure that appropriate returns and reports are filed, prescribed fees are paid, and taxes are assessed and collected in an equitable and effective manner.

Administration includes registering persons required to pay fees; processing tax returns and reports; collecting fees and taxes due; auditing accounts; resolving petitions for redetermination and claims for refund; and advising taxpayers regarding the law.

Authority

Sections 25174, 25174.1, 25174.2, 25205.2, 25205.4, 25205.5, 25205.6, 25205.7, 25205.8, 25205.14, 25205.21, 25205.22, 25221 and 25343 of the Health and Safety Code, Part 22 of Division 2 of the Revenue and Taxation Code.

Major Budget Adjustment Proposed for 2002–03

- Other Reductions
 - 0.2 position and \$12,000 pursuant to Control Section 31.60 of the 2002–03 Budget Act.

Major Budget Adjustment Proposed for 2003–04

- Other Reductions
 - 0.2 position and \$12,000 pursuant to Control Section 31.60 of the 2002–03 Budget Act.

40 ALCOHOLIC BEVERAGE TAX PROGRAM**Program Objectives Statement**

This program ensures that all alcoholic beverage tax revenues are collected equitably and efficiently through timely reporting of tax liability, detecting and correcting errors in reporting, and promptly collecting amounts determined to be due and economically recoverable.

Self-assessed State excise taxes imposed on the manufacturing, importation, and sale of alcoholic beverages in this state are administered by the Board.

Authority

Revenue and Taxation Code—Part 14, Division 2.

Major Budget Adjustment Proposed for 2002–03

- Other Reductions
 - 0.1 position and \$7,000 pursuant to Control Section 31.60 of the 2002–03 Budget Act.

Major Budget Adjustment Proposed for 2003–04

- Other Reductions
 - 0.1 position and \$7,000 pursuant to Control Section 31.60 of the 2002–03 Budget Act.

Program Element Statements**40.10 Registration of Taxpayers**

Persons subject to alcoholic beverage taxes are identified through licenses issued by the Department of Alcoholic Beverage Control. The Board registers them as taxpayers and furnishes tax returns for the reporting of tax. Accounts are regularly reviewed to reassess security requirements. Nontaxpaying common carriers, customs brokers, and out-of-state beer vendors are also registered and supplied with forms necessary to report information concerning the shipments of alcoholic beverages into California.

40.20 Processing Tax Returns and Reports

Alcoholic beverage tax returns are filed directly with the Board’s headquarters office. The returns are processed through the mail processing, cashier, and technology services units for deposit of funds and fiscal accounting purposes. The Excise Taxes Division then verifies reported tax computations, notifies taxpayers of apparent discrepancies on returns, and reviews the returns for completeness and proper application of the law.

40.30 Auditing Accounts

Informational reports are received from common carriers, customs brokers, out-of-state beer vendors, and other states. Specific procedures are performed using the data contained in these informational reports, which include data entry, analysis, matching, and verification. Based on the results of the procedures performed, the Excise Taxes Division is able to effectively select for field auditing those accounts which appear to have understated the tax. The audits deter tax evasion and promote accurate reporting of self-declared tax.

40.40 Collecting Taxes Receivable

The Excise Taxes Division is primarily responsible for collecting taxes receivable. Investigations are made when necessary to locate assets which may be levied upon or which are subject to lien.

0860 STATE BOARD OF EQUALIZATION—Continued**41 TIRE RECYCLING FEE PROGRAM****Program Objectives Statement**

This program is needed to provide revenues for the California Tire Recycling Account in the California Tire Recycling Management Fund. The program objective is to ensure that all tire recycling fee revenues are collected in an equitable and effective manner through timely reporting of liabilities, detecting and correcting errors in feepayer self-assessments and promptly collecting amounts determined to be due and economically recoverable.

The fee is collected by sellers of tires identified and registered by the Board. The fee provides funding for a tire recycling program which will reduce landfill disposal and stockpiling of used tires by recycling and reclaiming used tires and used tire components to the greatest extent possible. Effective January 1, 2001, the provisions of Chapter 838, Statutes of 2000, (SB 876) increased the tire recycling fee from \$0.25 to \$1.00 per tire. Administration of this fee is performed by the Excise Taxes Division and includes: identifying and registering sellers of tires required to pay the fees; maintaining current registration information for each feepayer; printing, mailing and receiving returns; depositing fees; examining returns; following up on problem or unfiled returns; storing returns; providing periodical reports to the California Integrated Waste Management Board; auditing accounts; collecting fees receivable; resolving petitions for redetermination; and advising interested persons about the law.

Authority

Public Resources Code—Sections 42860 through 42895.

45 CIGARETTE AND TOBACCO PRODUCTS TAX PROGRAM**Program Objectives Statement**

This program provides revenue for the Cigarette Tax Fund, Cigarette and Tobacco Products Surtax Fund, the Breast Cancer Fund, and through the passage of Proposition 10, the California Children and Families First Trust Fund. The program objective is to ensure that all cigarette and tobacco products tax revenues are collected equitably and effectively by effecting timely reporting and payment of tax liabilities, detecting and correcting errors in reporting, and promptly collecting amounts determined to be due and economically recoverable.

The cigarette tax is imposed upon distributors of cigarettes at the rate of 4.35 cents per cigarette (87 cents per standard package of 20) and upon consumers who acquire untaxed cigarettes which are not otherwise exempt from tax. For the most part, the tax is paid by distributors through the purchase of stamps from commercial banks which contract with the state for the issuance of stamps. Cigarette distributors are allowed a discount of .85 percent on purchases of cigarette tax stamps. The tobacco products tax is imposed upon distributors on the wholesale cost of tobacco products at a rate equivalent to the combined rate of tax imposed on cigarettes. The various rates (moist snuff, dry snuff, chewing tobacco, and all other tobacco products) are determined annually by the Board.

Authority

Revenue and Taxation Code—Part 13, Division 2.

Major Budget Adjustments Proposed for 2002–03

- Other Reductions
 - 5.7 positions and \$346,000 pursuant to Control Section 31.60 of the 2002–03 Budget Act.
 - An increase of \$294,000 (\$34,000 General Fund, \$260,000 Special Funds and 0.9 personnel year) to implement and administer a pilot program as specified in the provisions of SB 1701 (Chapter 881, Statutes of 2002) to replace the current cigarette stamps and meter impressions with a stamp or meter impression that can be read by a scanning or similar device and encrypted with specified information. This new statute is intended to deter cigarette tax evasion by reducing cigarette stamp counterfeiting.
 - An augmentation of \$678,000 (\$77,000 General Fund, \$601,000 Special Funds, and 2.8 personnel years) to accommodate the continuing cost to implement and administer a pilot program as specified in the provisions of SB 1701 (Chapter 881, Statutes of 2002) to replace the current cigarette stamps and meter impressions with a stamp or meter impression that can be read by a scanning or similar device and encrypted with specified information. This new statute is intended to deter cigarette tax evasion by reducing cigarette stamp counterfeiting.

Major Budget Adjustment Proposed for 2003–04

- Other Reductions
 - 5.7 positions and \$346,000 pursuant to Control Section 31.60 of the 2002–03 Budget Act.

Program Element Statements**45.10 Registration of Taxpayers**

Every person desiring to engage in the sale of cigarettes or tobacco products as a distributor or as a cigarette wholesaler must obtain a license from the Excise Taxes Division for each location at which he or she engages in such business. This enables the Board to furnish proper forms for the reporting, processing, allocation, and administration of taxes. Necessary security is obtained from licensed distributors to assure payment of the tax.

45.20 Processing Tax Returns and Reports

Forms and instructions are mailed to licensed distributors and wholesalers to enable them to file monthly reports to account for their purchases and distributions of tobacco products, cigarettes, and tax stamps; to enable cigarette manufacturers (who are all licensed distributors) to report tax on sample cigarettes distributed in California; and to enable tobacco products distributors to report tax on their distribution of tobacco products. Reports relating to the acquisition and sale of tax stamps are received from banks. Information reports are received from manufacturers and common carriers. These reports are processed by the Excise Taxes Division to account for tax payments, verify mathematical accuracy, assure conformity with the law, and select accounts for audit. When a timely report is not filed, the taxpayer is notified. If the delinquency is not cleared, revocation proceedings are instituted.

0860 STATE BOARD OF EQUALIZATION—Continued**45.30 Auditing Accounts**

Field auditing is essential to assure uniform application of the law, deter tax evasion and carelessness in self-reporting, and identify and correct errors in self-reporting. Reconciliations are made in the Excise Taxes Division using data reported by manufacturers, distributors, wholesalers, banks, and others. In most cases, immediate corrective action is taken when underreported tax is indicated. Field audit activities are designed to resolve more difficult discrepancies and to identify tobacco products and cigarettes received from illegal sources. These audits deter tax evasion and promote accurate reporting of self-declared tax.

45.40 Enforcement Activities

Enforcement activities are designed to prevent loss of revenue through tax stamp counterfeiting, bootlegging, tax underreporting, smuggling and illegal sales of cigarettes and tobacco products.

Field inspections are made of distributors' stamping machines to see that indicia is properly affixed, clear, and legible. Inspections also are made of cigarette stocks in retail stores and in vending machines to assure that all packages are properly stamped. Additionally, spot inspections of transit vehicles, vessels and aircraft are made to help deter illegal transportation of untaxed cigarettes and tobacco products for sale in the state.

45.50 Collecting Taxes Receivable

The Excise Taxes Division is primarily responsible for collecting taxes receivable. Investigations are made when necessary to locate assets which may be levied upon or which are subject to lien. The staff prepares liens, issues sheriffs' warrants and maintains the taxes receivable ledger.

50 MOTOR VEHICLE FUEL LICENSE TAX PROGRAM**Program Objectives Statement**

This program provides revenue for the Transportation Tax Fund, Aeronautics Fund, Harbor and Watercraft Revolving Fund, Off-Highway Vehicle Fund, and Department of Agriculture Fund. The objective is to ensure that the Motor Vehicle Fuel Tax is administered equitably and effectively through timely reporting of tax liability, and detecting and correcting errors in taxpayers' self-assessments.

Since January 1, 2002, the gasoline tax has been imposed upon the supplier's removal of motor vehicle fuel from the terminal rack. The gasoline tax rate is 18 cents per gallon. A 2-cent per gallon tax is imposed on sales of aircraft jet fuel by dealers to certain users. The State Controller shares responsibility with the State Board of Equalization for the administration of this tax by collecting delinquent tax and making refunds to consumers who use tax-paid gasoline in an exempt manner subject to refund.

Authority

Revenue and Taxation Code—Part 2, Division 2.

Major Budget Adjustment Proposed for 2002–03

- Other Reductions
 - 1.5 positions and \$67,000 pursuant to Control Section 31.60 of the 2002–03 Budget Act.

Major Budget Adjustment Proposed for 2003–04

- Other Reductions
 - 1.5 positions and \$67,000 pursuant to Control Section 31.60 of the 2002–03 Budget Act.

Program Element Statements**50.10 Registration of Taxpayers**

Persons subject to the motor vehicle fuel tax are registered to enable the Board to furnish proper forms for the reporting, processing, and administration of the tax. Necessary security, within the limits allowed by law, is obtained to assure payment of the tax.

50.20 Processing Tax Returns

Returns are processed through the cashier and the Fuel Taxes Division for proper deposit of funds and fiscal accounting purposes. Taxpayers failing to file returns are identified and notices are sent to them.

50.30 Auditing Accounts

Accounts to be audited are selected through a process which assures optimum use of field audit time to detect misplaced tax, and deter tax evasion. Selection of accounts for audit places emphasis on those accounts which are expected to produce a deficiency tax change greater than the cost of auditing. These audits protect the tax base and result in a sustained high level of self-declared tax.

50.40 Enforcement Activities

Enforcement activities are designed to prevent loss of revenue through illegal distribution of untaxed fuel. Field inspections are performed at places where motor vehicle fuel is produced or stored, or at any inspection site where evidence of activities involving evasion may be discovered.

55 DIESEL AND USE FUEL TAX PROGRAM**Program Objectives Statement**

This program provides revenue for the Transportation Tax Fund. The program objective is to ensure that all revenues are collected in an equitable and effective manner by effecting timely reporting of tax liability, detecting and correcting errors in taxpayer self-assessment, and promptly collecting amounts determined to be due and economically recoverable.

The collection point of the excise tax on diesel fuel is the first removal from the terminal rack. The diesel fuel tax rate is 18 cents per gallon. The use fuel tax rate varies by fuel type. The imposition of the excise tax on the remaining use fuels is upon the user or vendor of the fuel.

0860 STATE BOARD OF EQUALIZATION—Continued**Major Budget Adjustment Proposed for 2002–03**

- Other Reductions
 - 5.2 positions and \$231,000 pursuant to Control Section 31.60 of the 2002–03 Budget Act.

Major Budget Adjustment Proposed for 2003–04

- Other Reductions
 - 5.2 positions and \$231,000 pursuant to Control Section 31.60 of the 2002–03 Budget Act.

Authority

Revenue and Taxation Code—Parts 3 and 31 of Division 2.

Program Element Statements**55.10 Registration of Taxpayers**

Registration of suppliers, distributors, vendors and users allows the Board to furnish them with proper tax forms and instructions for the purpose of reporting and processing of these taxes, and claiming allowable refunds. Necessary security, within the limits allowed by law, is obtained to assure payment of the taxes. The Board establishes an account for each new taxpayer, maintains the account on a current basis, and closes the account when the activity terminates.

55.20 Processing Tax Returns

Returns are processed through the mail, cashier, and technology services sections for deposit of revenue receipts and fiscal accounting purposes. The Board establishes delinquencies for taxpayers failing to file returns and sends notices to them. In addition, returns are reviewed for mathematical accuracy, proper preparation and application of the law. Returns claiming refunds of tax paid on fuel used in an exempt manner are reviewed for compliance with applicable laws and rules, prior to refunds being processed.

55.30 Auditing Accounts

This activity assures uniform application of the tax by detecting and correcting errors in reporting, and deterring tax evasion. In selecting accounts for audit, the Board places emphasis on those expected to produce a deficiency tax greater than the cost of auditing. These audits protect the tax base, and result in a high level of self-declared tax.

55.40 Enforcement Activities

Enforcement activities are designed to prevent loss of revenue through illegal distribution of untaxed fuel. Field inspections are performed at places where diesel fuel is produced or stored, or at any inspection site where evidence of activities involving evasion may be discovered. Additionally, spot inspections at designated inspection sites along state highways to physically inspect, examine or otherwise search any tank or container used in the transportation of diesel fuel.

55.50 Collecting Taxes Receivable

The Fuel Taxes Division is primarily responsible for collecting taxes receivable. Investigations are made when it is necessary to locate assets which may be levied upon, or which are subject to a lien. The staff prepares liens, issues sheriffs' warrants and maintains the taxes receivable ledger.

56 OCCUPATIONAL LEAD POISONING PREVENTION FEE**Program Objectives Statement**

This program provides revenue for the Occupational Lead Poisoning Prevention Account in the General Fund. Fees are collected from all employers in specified standard industrial classification (SIC) codes who employ ten or more employees. The identified SIC codes are those in which the Department of Health Services has determined that a potential for lead poisoning exists. The fee provides funding for the Occupational Lead Poisoning Prevention Program conducted by the Department of Health Services.

Administration includes registering employers required to pay the fee; processing the annual returns; collecting amounts due; auditing accounts; resolving claims for refund and petitions for redetermination; and advising interested persons regarding the law.

Authority

Health and Safety Code Sections 105175, 105185, 105190 and Part 22 of Division 2 of the Revenue and Taxation Code.

57 INTEGRATED WASTE MANAGEMENT FEE PROGRAM**Program Objectives Statement**

This program provides revenue for the Integrated Waste Management Account in the Integrated Waste Management Fund by administering the collection of a fee on all solid waste disposed at each solid waste landfill required to have a solid waste facility permit. The fee provides funding to respond to potential health and environmental problems at on-site and off-site solid waste landfills. In addition, the fee supports state and local landfill permit enforcement programs and provides grants to local agencies to initiate and implement waste separation programs.

Administration includes registering facility operators required to pay the fees; processing quarterly reports; computing the fee liability of each operator; mailing assessment notices; collecting amounts due; auditing accounts; providing statistical analysis of reported amounts; resolving petitions for redeterminations and claims for refunds; and advising interested persons regarding the law.

Authority

Division 30, Part 1—Public Resources Code, Division 2, Part 23—Revenue and Taxation Code.

0860 STATE BOARD OF EQUALIZATION—Continued**58 UNDERGROUND STORAGE TANK FEE PROGRAM****Program Objectives Statement**

This program provides revenue for the Petroleum Underground Storage Tank Financing Account in the General Fund by collecting a fee on all underground petroleum tanks. The fee provides funding to monitor and regulate underground storage tanks containing petroleum, and to protect human health and the environment. Established by statute, the fee is collected quarterly from owners of underground storage tanks containing petroleum.

Administration of this program includes registering underground tank owners, processing tax returns, collecting fees, auditing accounts, resolving petitions for redeterminations and claims for refunds, and advising fee payers regarding the law.

Authority

Health and Safety Code—Sections 25299.1 and 25299.43.

Major Budget Adjustment Proposed for 2002–03

- Other Reductions
 - 0.5 position and \$22,000 pursuant to Control Section 31.60 of the 2002–03 Budget Act.

Major Budget Adjustment Proposed for 2003–04

- Other Reductions
 - 0.5 position and \$22,000 pursuant to Control Section 31.60 of the 2002–03 Budget Act.

59 OIL SPILL PREVENTION PROGRAM**Program Objectives Statement**

This program provides revenue for the Oil Spill Prevention and Administration Response Trust Fund. The objective is to collect two fees on all crude oil and petroleum products received in this state via marine pipelines and terminals. The prevention and administration fee provides funding in order to implement oil spill prevention programs, and to reimburse the member agencies of the State Interagency Oil Spill Committee for costs arising from the implementation of this program. Funding is also provided to implement, install and maintain emergency programs, equipment, and facilities to respond to, contain and cleanup oil spills. The response fee provides funding in order to promptly cover costs of response, containment, and cleanups of oil spills into marine water; including damage assessment costs and wildlife rehabilitation.

The Board's administration includes issuing monthly returns, receiving monthly returns, depositing payments, auditing amounts reported, resolving petitions and claims for refund, providing statistical analysis, and advising interested persons regarding the law.

Major Budget Adjustment Proposed for 2002–03

- Other Reductions
 - 0.1 position and \$3,000 pursuant to Control Section 31.60 of the 2002–03 Budget Act.

Major Budget Adjustment Proposed for 2003–04

- Other Reductions
 - 0.1 position and \$3,000 pursuant to Control Section 31.60 of the 2002–03 Budget Act.

Authority

Government Code—Sections 8670.40 and 8670.48.

60 ENERGY RESOURCES SURCHARGE PROGRAM**Program Objectives Statement**

This program provides revenue for the state Energy Resources Programs Account, General Fund, by administering a surcharge on the consumption of electricity.

Administration of this surcharge on consumers of electrical energy includes registering of electric utilities required to collect the surcharge from consumers; registering of consumers purchasing electrical energy from the United States; processing tax returns; auditing accounts; collecting taxes receivable; resolving petitions for redetermination and claims for refund; and advising taxpayers regarding the law.

Authority

Part 19 of Division 2 of the Revenue and Taxation Code.

62 CHILDHOOD LEAD POISONING PREVENTION FEE PROGRAM**Program Objectives Statement**

This program provides revenue for the Childhood Lead Poisoning Prevention Fund, by collecting fees to support the Childhood Lead Poisoning Program administered by the Department of Health Services. The fee, established by statute and implemented by regulation, is collected annually from architectural coatings distributors, motor vehicle fuel distributors, and facilities currently reporting releases of lead into ambient air in California.

Administration of this program includes registering fee payers, processing fee returns, collecting fees, auditing accounts, resolving petitions for redeterminations and claims for refunds, and advising fee payers regarding the law.

0860 STATE BOARD OF EQUALIZATION—Continued**Major Budget Adjustment Proposed for 2002–03**

- Other Reductions
 - 0.1 position and \$5,000 pursuant to Control Section 31.60 of the 2002–03 Budget Act.

Major Budget Adjustment Proposed for 2003–04

- Other Reductions
 - 0.1 position and \$5,000 pursuant to Control Section 31.60 of the 2002–03 Budget Act.

Authority

Health and Safety Code Chapter 5 of Division 103, Section 105310, and Revenue and Taxation Code Sections 43507, 43152.14, and 43554. Title 17, California Code of Regulations Sections 33001, 33010, and 33030.

63 BALLAST WATER MANAGEMENT FEE PROGRAM**Program Objectives Statement**

This program provides revenue for the Exotic Species Control Fund. The program objective is to administer the collection of a fee from owners or operators of qualifying vessels that enter California ports with ballast water loaded from outside a designated economic enterprise zone. Under the statute's provisions, the fee, established in regulations adopted by the State Lands Commission, is assessed upon the owner or operator when their vessel arrives in California. The fee provides funding to carry out the ballast water management program as described in statute.

Administration of this program includes registering vessel owners or operators, processing assessments or returns, collecting fees, auditing accounts, resolving petitions for redeterminations and claims for refunds, and advising fee payers regarding the law.

Authority

Public Resources Code—Division 36 (commencing with Section 71200).

65 EMERGENCY TELEPHONE USERS SURCHARGE PROGRAM**Program Objectives Statement**

This program provides revenue to fund the “911” emergency telephone number system, by administering a surcharge on intra-state telephone communication services.

Administration of this surcharge includes: registering telephone service suppliers required to collect the surcharge from users; processing tax returns; auditing accounts; collecting taxes receivable; resolving petitions for redetermination and claims for refund; and advising taxpayers regarding the law.

Authority

Part 20 of Division 2 of the Revenue and Taxation Code.

70 INSURANCE TAX PROGRAM**Program Objectives Statement**

This program assesses taxes on insurance premiums and marine profits of underwriters, and levies retaliatory assessments against “foreign” insurers.

The program is administered jointly by the Board, the Controller and the Insurance Commissioner. The Board is responsible for assessing the tax and adjudicating petitions for redetermination and claims for refund.

The Board annually assesses each insurance company based on the net premiums on California business other than ocean marine insurance, and on the average annual underwriting profit on ocean marine business. It also imposes a retaliatory tax on any out-of-state company doing business in California whenever that company's home state subjects a California company doing business in that state to a greater burden than California imposes on insurers domiciled in that state. The Board also hears taxpayer appeals and makes decisions to grant or deny petitions for redetermination and claims for refund.

Authority

The State Constitution, Article XIII, Section 28 and Part 7 of Division 2 of the Revenue and Taxation Code.

75 NATURAL GAS SURCHARGE PROGRAM**Program Objectives Statement**

Effective January 1, 2001, this program provides revenue for the Gas Consumption Surcharge Fund by administering a surcharge on the consumption of all natural gas in this state. The surcharge, established by the California Public Utility Commission, is collected by the Board of Equalization annually from public utility gas corporations and consumers who receive natural gas through interstate pipeline. The objective of this program is to collect the revenue intended to fund low-income assistance programs, cost effective energy efficiency programs, conservation activities, and public interest research and development.

Authority

Chapter 4 of Part 1 of Division 1, Article X—Public Utilities Code.

0860 STATE BOARD OF EQUALIZATION—Continued**80 APPEALS FROM OTHER GOVERNMENTAL PROGRAMS****Program Objectives Statement**

An independent administrative review is necessary when a taxpayer disagrees with actions taken by the Franchise Tax Board. Upon the filing of a taxpayer's written request, the Board of Equalization reviews assessments of franchise and income taxes and eligibility determinations made in administering the Senior Citizens Property Tax Assistance program.

The Board also acts as an impartial tribunal to settle disputes between entities of local government concerning property tax assessments of property owned by one local government entity but located outside its boundaries and within boundaries of another entity. Such property owned by a local government outside its boundaries is subject to tax by the entity within whose boundaries the property is located.

Authority

1) Administration of Income and Franchise Tax Laws: Revenue and Taxation Code Section 18401–19802. Procedural regulations regarding appeals from the Franchise Tax Board are contained within the Rules of Practice of the State Board of Equalization, California Code of Regulations, Title 18, Division 2, Chapter 10 (effective January 1, 1996); 2) Senior Citizens Homeowners and Renters Property Tax Assistance: Revenue and Taxation Code Section 20501–20646; and, 3) Publicly Owned Property: Section 11 Article XIII of the California Constitution and Section 1840 and 1841 of the Revenue and Taxation Code. Procedural Regulations are found in Title 18, California Code of Regulations at Sections 5050 through 5063, 5070 through 5075, 5076, 5076.2, and 5077 through 5087.

Program Element Statements**80.10 Franchise and Income Tax Appeals**

The Board initiates action after a taxpayer files a written appeal. The Board's legal staff frames the issues of law and fact by means of memoranda from, and stipulations by, the parties. If the taxpayer requests an oral hearing before the Board, the Board may decide the case at the conclusion of the hearing or refer the case to its legal staff for review, analysis, and preparation of a written opinion or decision which is later voted on by board members. If an oral hearing is not requested, the case is referred to the legal staff for review, analysis, and preparation of a written opinion or decision.

80.20 Senior Citizens Property Tax Assistance Appeals

A taxpayer files a written notice to initiate action with the Board of Equalization. Upon receipt of a re-review statement from the Franchise Tax Board, the Board's legal staff frames the issues of law and fact and submits them to the Board. The Board makes a determination and informs the claimant of this decision.

80.30 Equalization of Assessment of Publicly Owned Property

Action is initiated when the local public entity that owns the taxable property outside its boundaries files with the Board an application for review, equalization, and adjustment of the assessment imposed by the county in which the property is located. The assessor may file an answer. A prehearing conference is conducted by a member of the legal staff to define the issues and arrange for stipulations and exchange of exhibits. The Board's legal staff frames the issues of law and fact for the Board. A formal hearing is conducted before the Board which renders a written decision.

85 ADMINISTRATION PROGRAM**Program Objectives Statement**

The objectives are to effectively and efficiently implement the policies and directives of the Board Members, and to provide direction, leadership, planning, and support services for all Board programs.

These responsibilities are carried out by the Executive Director, deputy directors, chief counsel, and various administrative staff reporting to these positions.

During Fiscal Year 2002–03, in an effort to more effectively and efficiently meet mandates and improve the level of customer service, the Board Members approved several organizational changes within the State Board of Equalization. Using a more unified administrative approach based on common functions and responsibilities, several departments and divisions were consolidated. Among the changes, the Internal Audit and Security Division, Legal Division, and Investigations Division were consolidated creating the Legal Department. The Property Taxes Department and Special Taxes Department were consolidated creating the Property and Special Taxes Department. The Agency Planning and Research Division (APRD) was abolished. APRD's Research and Statistics Section and the Strategic Planning and Program Development Section were transferred to the Administration Department.

PROGRAM BUDGET DETAIL**PROGRAM REQUIREMENTS****15 COUNTY ASSESSMENT STANDARDS PROGRAM**

	2001–02*	2002–03*	2003–04*
0001 General Fund.....	\$8,271	\$7,973	\$8,053
Totals, County Assessment Standards Program.....	\$8,271	\$7,973	\$8,053

ELEMENT REQUIREMENTS

15.10 County Surveys	4,281	3,721	3,758
0001 General Fund.....	4,281	3,721	3,758
15.20 Technical Advisory Services.....	2,382	2,599	2,625
0001 General Fund.....	2,382	2,599	2,625
15.30 Technical Services	1,608	1,653	1,670
0001 General Fund.....	1,608	1,653	1,670

* Dollars in thousands, except in Salary Range.

0860 STATE BOARD OF EQUALIZATION—Continued

PROGRAM REQUIREMENTS

20 STATE-ASSESSED PROPERTY PROGRAM

	2001-02*	2002-03*	2003-04*
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0001 General Fund.....	\$5,449	\$6,376	\$6,442
0965 Timber Tax Fund.....	519	—	—
0995 Reimbursements.....	207	207	207
Totals, State-Assessed Property Program.....	\$6,175	\$6,583	\$6,649

ELEMENT REQUIREMENTS

20.10 Assessment of Public Utilities.....	5,903	6,418	6,483
0001 General Fund.....	5,177	6,211	6,276
0965 Timber Tax Fund.....	519	—	—
0995 Reimbursements.....	207	207	207
20.20 Private Railroad Car Tax.....	272	165	166
0001 General Fund.....	272	165	166

PROGRAM REQUIREMENTS

25 TIMBER TAX PROGRAM

0965 Timber Tax Fund.....	\$1,975	\$1,934	\$2,042
Totals, Timber Tax Program.....	\$1,975	\$1,934	\$2,042

ELEMENT REQUIREMENTS

25.10 Timber Valuation.....	522	446	471
0965 Timber Tax Fund.....	522	446	471
25.20 Taxpayer Registration, Return Processing and Collection.....	982	1,059	1,118
0965 Timber Tax Fund.....	982	1,059	1,118
25.30 Auditing.....	471	429	453
0965 Timber Tax Fund.....	471	429	453

PROGRAM REQUIREMENTS

30 SALES AND USE TAX PROGRAM

0001 General Fund.....	\$167,503	\$176,203	\$176,020
0995 Reimbursements.....	84,761	82,561	82,701
Totals, Sales and Use Tax Program.....	\$252,264	\$258,764	\$258,721

ELEMENT REQUIREMENTS

30.10 Registration of Taxpayers.....	44,191	45,778	46,254
0001 General Fund.....	29,346	31,172	31,623
0995 Reimbursements.....	14,845	14,606	14,631
30.20 Processing Tax Returns.....	68,488	69,629	70,387
0001 General Fund.....	45,495	47,413	48,134
0995 Reimbursements.....	22,993	22,216	22,253
30.30 Auditing Accounts.....	107,388	109,753	108,163
0001 General Fund.....	71,281	74,736	73,086
0995 Reimbursements.....	36,107	35,017	35,077
30.40 Collecting Taxes Receivable.....	32,197	33,604	33,917
0001 General Fund.....	21,381	22,882	23,177
0995 Reimbursements.....	10,816	10,722	10,740

PROGRAM REQUIREMENTS

35 HAZARDOUS SUBSTANCES TAX PROGRAM

0022 State Emergency Telephone Number Account.....	\$62	—	—
0080 Childhood Lead Poisoning Prevention Fund.....	92	—	—
0995 Reimbursements.....	3,389	\$3,693	\$3,730
Totals, Hazardous Substances Tax Program.....	\$3,543	\$3,693	\$3,730

PROGRAM REQUIREMENTS

40 ALCOHOLIC BEVERAGE TAX PROGRAM

0001 General Fund.....	\$1,920	\$2,027	\$2,048
Totals, Alcoholic Beverage Tax Program.....	\$1,920	\$2,027	\$2,048

* Dollars in thousands, except in Salary Range.

0860 STATE BOARD OF EQUALIZATION—Continued**ELEMENT REQUIREMENTS**

	2001-02*	2002-03*	2003-04*
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40.10	Registration of Taxpayers	\$567	\$484	\$489
0001	General Fund	567	484	489
40.20	Processing Tax Returns and Reports	552	914	923
0001	General Fund	552	914	923
40.30	Auditing Accounts	622	506	511
0001	General Fund	622	506	511
40.40	Collecting Taxes Receivable	179	123	125
0001	General Fund	179	123	125

PROGRAM REQUIREMENTS**41 TIRE RECYCLING FEE PROGRAM**

0995	Reimbursements	\$799	\$765	\$772
Totals, Tire Recycling Fee Program		\$799	\$765	\$772

PROGRAM REQUIREMENTS**45 CIGARETTE AND TOBACCO TAX PROGRAM**

0001	General Fund	\$5,946	\$4,812	\$4,847
0004	Breast Cancer Fund	124	131	144
0230	Cigarette and Tobacco Products Surtax Fund	1,545	2,105	2,320
0623	California Childhood and Families First Trust Fund	959	1,946	2,280
Totals, Cigarette and Tobacco Tax Program		\$8,574	\$8,994	\$9,591

ELEMENT REQUIREMENTS

45.10	Registration of Taxpayers	1,080	1,069	1,095
0001	General Fund	750	572	553
0004	Breast Cancer Fund	16	16	17
0230	Cigarette and Tobacco Products Surtax Fund	194	250	265
0623	California Childhood and Families First Trust Fund	120	231	260
45.20	Processing Tax Returns	2,712	3,221	3,681
0001	General Fund	1,879	1,723	1,860
0004	Breast Cancer Fund	39	47	55
0230	Cigarette and Tobacco Products Surtax Fund	493	754	891
0623	California Childhood and Families First Trust Fund	301	697	875
45.30	Auditing Accounts	1,218	2,093	2,143
0001	General Fund	845	1,120	1,083
0004	Breast Cancer Fund	18	30	32
0230	Cigarette and Tobacco Products Surtax Fund	219	490	518
0623	California Childhood and Families First Trust Fund	136	453	510
45.40	Enforcement Activities	3,200	2,393	2,449
0001	General Fund	2,219	1,280	1,238
0004	Breast Cancer Fund	46	35	37
0230	Cigarette and Tobacco Products Surtax Fund	574	560	592
0623	California Childhood and Families First Trust Fund	361	518	582
45.50	Collecting Taxes Receivable	364	218	223
0001	General Fund	253	117	113
0004	Breast Cancer Fund	5	3	3
0230	Cigarette and Tobacco Products Surtax Fund	65	51	54
0623	California Childhood and Families First Trust Fund	41	47	53

PROGRAM REQUIREMENTS**50 MOTOR VEHICLE FUEL LICENSE TAX PROGRAM**

0061	Motor Vehicle Fuel Account, Transportation Tax Fund	\$3,697	\$4,251	\$4,848
0995	Reimbursements	494	577	40
Totals, Motor Vehicle Fuel License Tax Program		\$4,191	\$4,828	\$4,888

ELEMENT REQUIREMENTS

50.10	Registration of Taxpayers	606	786	795
0061	Motor Vehicle Fuel Account, Transportation Tax Fund	535	692	789
0995	Reimbursements	71	94	6
50.20	Processing Tax Returns	1,861	1,826	1,848
0061	Motor Vehicle Fuel Account, Transportation Tax Fund	1,642	1,608	1,833
0995	Reimbursements	219	218	15

* Dollars in thousands, except in Salary Range.

0860 STATE BOARD OF EQUALIZATION—Continued

	2001-02*	2002-03*	2003-04*
50.30 Auditing Accounts	\$1,337	\$1,663	\$1,684
0061 Motor Vehicle Fuel Account, Transportation Tax Fund	1,179	1,464	1,670
0995 Reimbursements	158	199	14
50.40 Enforcement	387	553	561
0061 Motor Vehicle Fuel Account, Transportation Tax Fund	341	487	556
0995 Reimbursements	46	66	5

PROGRAM REQUIREMENTS**55 DIESEL AND USE FUEL TAX PROGRAM**

0061 Motor Vehicle Fuel Account, Transportation Tax Fund	\$16,073	\$16,489	\$16,777
0890 Federal Trust Fund	7	103	103
0995 Reimbursements	81	81	0
Totals, Diesel and Use Fuel Tax Program	\$16,161	\$16,673	\$16,880

ELEMENT REQUIREMENTS

55.10 Registration of Taxpayers	3,427	3,782	3,829
0061 Motor Vehicle Fuel Account, Transportation Tax Fund	3,408	3,741	3,806
0890 Federal Trust Fund	2	23	23
0995 Reimbursements	17	18	0
55.20 Processing Tax Returns	5,711	5,077	5,140
0061 Motor Vehicle Fuel Account, Transportation Tax Fund	5,680	5,021	5,108
0890 Federal Trust Fund	2	31	32
0995 Reimbursements	29	25	0
55.30 Auditing Accounts	4,673	4,771	4,830
0061 Motor Vehicle Fuel Account, Transportation Tax Fund	4,648	4,718	4,800
0890 Federal Trust Fund	2	30	30
0995 Reimbursements	23	23	0
55.40 Enforcement	1,820	2,481	2,512
0061 Motor Vehicle Fuel Account, Transportation Tax Fund	1,810	2,454	2,497
0890 Federal Trust Fund	1	15	15
0995 Reimbursements	9	12	0
55.50 Collecting Taxes Receivable	530	562	569
0061 Motor Vehicle Fuel Account, Transportation Tax Fund	527	555	566
0890 Federal Trust Fund	—	4	3
0995 Reimbursements	3	3	—

PROGRAM REQUIREMENTS**56 OCCUPATIONAL LEAD POISONING FEE PROGRAM**

0070 Occupational Lead Poisoning Prevention Fund	\$601	\$597	\$618
0080 Childhood Lead Poisoning Prevention Fund	30	—	—
Totals, Occupational Lead Poisoning Fee Program	\$631	\$597	\$618

PROGRAM REQUIREMENTS**57 INTEGRATED WASTE MANAGEMENT FEE PROGRAM**

0387 Integrated Waste Management Account, Integrated Waste Management Fund	\$343	\$398	\$413
Totals, Integrated Waste Management Fee Program	\$343	\$398	\$413

PROGRAM REQUIREMENTS**58 UNDERGROUND STORAGE TANK FEE PROGRAM**

0061 Motor Vehicle Fuel Account Transportation Tax Fund	\$540	—	—
0439 Underground Storage Tank Cleanup Fund	1,919	\$1,995	\$2,058
Totals, Underground Storage Tank Fee Program	\$2,459	\$1,995	\$2,058

PROGRAM REQUIREMENTS**59 OIL SPILL PREVENTION PROGRAM**

0061 Motor Vehicle Fuel Account Transportation Tax Fund	\$26	—	—
0080 Childhood Lead Poisoning Prevention Fund	28	—	—
0320 Oil Spill Prevention and Administration Fund	267	\$233	\$243
Totals, Oil Spill Prevention Program	\$321	\$233	\$243

* Dollars in thousands, except in Salary Range.

0860 STATE BOARD OF EQUALIZATION—Continued**PROGRAM REQUIREMENTS****60 ENERGY RESOURCES SURCHARGE PROGRAM****2001-02*****2002-03*****2003-04***

0387 Integrated Waste Management Account, Integrated Waste Management Fund.....

\$9

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—

0465 Energy Resources Programs Account, General Fund

228

\$244

\$250

Totals, Energy Resources Surcharge Program

\$237

\$244

\$250

PROGRAM REQUIREMENTS**62 CHILDHOOD LEAD POISONING PREVENTION FEE PROGRAM**

0080 Childhood Lead Poisoning Prevention Fund.....

\$384

\$437

\$457

Totals, Childhood Lead Poisoning Prevention Fee Program

\$384

\$437

\$457

PROGRAM REQUIREMENTS**63 BALLAST WATER MANAGEMENT FEE PROGRAM**

0995 Reimbursements

\$371

\$403

\$407

Totals, Ballast Water Management Fee Program

\$371

\$403

\$407

PROGRAM REQUIREMENTS**65 EMERGENCY TELEPHONE USERS SURCHARGE PROGRAM**

0022 State Emergency Telephone Number Special Account, General Fund

\$639

\$625

\$633

Totals, Emergency Telephone Users Surcharge Program

\$639

\$625

\$633

PROGRAM REQUIREMENTS**70 INSURANCE TAX PROGRAM**

0001 General Fund.....

\$379

\$338

\$341

Totals, Insurance Tax Program

\$379

\$338

\$341

PROGRAM REQUIREMENTS**75 NATURAL GAS SURCHARGE PROGRAM**

0022 State Emergency Telephone Number Account

\$55

—

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0387 Integrated Waste Management Account, Waste Management Fund.....

41

—

—

3015 Gas Consumption Surcharge Fund.....

33

\$306

\$369

Totals, Natural Gas Surcharge Program

\$129

\$306

\$369

PROGRAM REQUIREMENTS**80 APPEALS FROM OTHER GOVERNMENTAL PROGRAMS**

0001 General Fund.....

\$1,541

\$1,404

\$1,418

Totals, Appeals from Other Governmental Programs

\$1,541

\$1,404

\$1,418

ELEMENT REQUIREMENTS

80.10 Franchise and Income Tax Appeals

1,512

1,346

1,359

0001 General Fund.....

1,512

1,346

1,359

80.20 Senior Citizens Property Tax Assistance

29

58

59

0001 General Fund.....

29

58

59

PROGRAM REQUIREMENTS**85 ADMINISTRATION**

Undistributed Administration:

0995 Reimbursements

\$667

\$816

\$816

Totals, Administration

\$667

\$816

\$816

TOTALS, EXPENDITURES (State Operations).....

\$311,974

\$320,030

\$321,397

* Dollars in thousands, except in Salary Range.

0860 STATE BOARD OF EQUALIZATION—Continued

SUMMARY BY OBJECT

1 STATE OPERATIONS

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A)	3,787.1	3,926.7	3,922.7	\$188,728	\$197,795	\$201,500
Total Adjustments	—	-86.5	-84.5	—	-347	-266
Estimated Salary Savings	—	-237.6	-286.2	—	-11,967	-14,703
Net Totals, Salaries and Wages	3,787.1	3,602.6	3,552.0	\$188,728	\$185,481	\$186,531
Staff Benefits	—	—	—	42,802	50,234	50,854
Totals, Personal Services	3,787.1	3,602.6	3,552.0	\$231,530	\$235,715	\$237,385
OPERATING EXPENSES AND EQUIPMENT				\$80,444	\$84,315	\$84,012
TOTALS, EXPENDITURES				\$311,974	\$320,030	\$321,397

RECONCILIATION WITH APPROPRIATIONS

1 STATE OPERATIONS

0001 General Fund

	2001-02*	2002-03*	2003-04*
APPROPRIATIONS			
001 Budget Act appropriation	\$194,606	\$193,480	\$199,169
Allocation for employee compensation	684	2,060	—
Allocation for contingencies or emergencies	—	34	—
Adjustment per Section 3.60	5,339	3,657	—
Adjustment per Section 4.60	134	—	—
Adjustment per Section 4.00	-335	—	—
Allocation for postage rate increases	73	—	—
Allocation for Americans with Disabilities Act (ADA) Barrier Removal	101	—	—
Adjustment per Section 3.20 as added by Chapter 1, Statutes of 2002, Third Extraordinary Session	-3,500	—	—
Adjustment per Section 31.60	—	-3,115	—
Adjustment per Section 31.70	—	3,115	—
Adjustment per Section 4.20	—	-46	—
Adjustment per Mid-Year Revision Legislation	—	-51	—
Transfer to Legislative Claims (9670)	-1	-1	—
Totals Available	\$197,101	\$199,133	\$199,169
Unexpended balance, estimated savings	-6,092	—	—
TOTALS, EXPENDITURES	\$191,009	\$199,133	\$199,169

0004 Breast Cancer Fund

APPROPRIATIONS			
001 Budget Act appropriation	\$122	\$124	\$144
Allocation for employee compensation	—	2	—
Allocation for contingencies or emergencies	—	7	—
Adjustment per Section 3.60	2	2	—
Adjustment per Section 31.60	—	-4	—
TOTALS, EXPENDITURES	\$124	\$131	\$144

0022 State Emergency Telephone Number Account

APPROPRIATIONS			
001 Budget Act appropriation	\$755	\$755	\$633
Allocation for employee compensation	2	8	—
Adjustment per Section 3.60	—	14	—
Adjustment per Section 4.00	-1	—	—
Adjustment per Section 31.60	—	-9	—
Totals Available	\$756	\$768	\$633
Unexpended balance, estimated savings	—	-143	—
TOTALS, EXPENDITURES	\$756	\$625	\$633

* Dollars in thousands, except in Salary Range.

0860 STATE BOARD OF EQUALIZATION—Continued**0061 Motor Vehicle Fuel Account, Transportation Tax Fund**

APPROPRIATIONS	2001-02*	2002-03*	2003-04*
001 Budget Act appropriation	\$20,040	\$20,439	\$21,625
Allocation for employee compensation	68	217	—
Adjustment per Section 3.60	247	386	—
Adjustment per Section 4.00	-19	—	—
Adjustment per Section 31.60	—	-301	—
Adjustment per Section 4.20	—	-1	—
TOTALS, EXPENDITURES	\$20,336	\$20,740	\$21,625

0070 Occupational Lead Poisoning Prevention Account

APPROPRIATIONS			
001 Budget Act appropriation	\$579	\$592	\$618
Allocation for employee compensation	2	6	—
Adjustment per Section 3.60	21	11	—
Adjustment per Section 4.00	-1	—	—
Adjustment per Section 31.60	—	-3	—
Totals Available	\$601	\$606	\$618
Unexpended balance, estimated savings	—	-9	—
TOTALS, EXPENDITURES	\$601	\$597	\$618

0080 Childhood Lead Poisoning Prevention Fund

APPROPRIATIONS			
001 Budget Act appropriation	\$533	\$432	\$457
Allocation for employee compensation	2	5	—
Adjustment per Section 3.60	—	8	—
Adjustment per Section 4.00	-1	—	—
Adjustment per Section 31.60	—	-8	—
TOTALS, EXPENDITURES	\$534	\$437	\$457

0230 Cigarette and Tobacco Products Surtax Fund

APPROPRIATIONS			
001 Budget Act appropriation	\$1,515	\$1,901	\$2,320
Allocation for employee compensation	7	20	—
Allocation for contingencies or emergencies	—	213	—
Adjustment per Section 3.60	25	36	—
Adjustment per Section 4.00	-2	—	—
Adjustment per Section 31.60	—	-65	—
TOTALS, EXPENDITURES	\$1,545	\$2,105	\$2,320

0320 Oil Spill Prevention and Administration Fund

APPROPRIATIONS			
001 Budget Act appropriation	\$263	\$267	\$243
Allocation for employee compensation	1	3	—
Adjustment per Section 3.60	3	5	—
Adjustment per Section 31.60	—	-6	—
Totals Available	\$267	\$269	\$243
Unexpended balance, estimated savings	—	-36	—
TOTALS, EXPENDITURES	\$267	\$233	\$243

**0387 Integrated Waste Management Account,
Integrated Waste Management Fund**

APPROPRIATIONS			
001 Budget Act appropriation	\$386	\$392	\$413
Allocation for employee compensation	1	4	—
Adjustment per Section 3.60	6	7	—
Adjustment per Section 31.60	—	-5	—
TOTALS, EXPENDITURES	\$393	\$398	\$413

* Dollars in thousands, except in Salary Range.

0860 STATE BOARD OF EQUALIZATION—Continued**0439 Underground Storage Tank Cleanup Fund**

APPROPRIATIONS	2001-02*	2002-03*	2003-04*
001 Budget Act appropriation	\$1,870	\$1,986	\$2,058
Allocation for employee compensation	7	21	—
Adjustment per Section 3.60	44	38	—
Adjustment per Section 4.00	-2	—	—
Adjustment per Section 31.60	—	-46	—
Totals Available	\$1,919	\$1,999	\$2,058
Unexpended balance, estimated savings	—	-4	—
TOTALS, EXPENDITURES	\$1,919	\$1,995	\$2,058

0465 Energy Resources Programs Account

APPROPRIATIONS			
001 Budget Act appropriation	\$240	\$239	\$250
Allocation for employee compensation	1	3	—
Adjustment per Section 3.60	—	5	—
Adjustment per Section 31.60	—	-3	—
Totals Available	\$241	\$244	\$250
Unexpended balance, estimated savings	-13	—	—
TOTALS, EXPENDITURES	\$228	\$244	\$250

0623 California Children and Families First Trust Fund

APPROPRIATIONS			
001 Budget Act appropriation	\$939	\$1,670	\$2,280
Allocation for employee compensation	5	18	—
Allocation for contingencies or emergencies	—	283	—
Adjustment per Section 3.60	16	32	—
Adjustment per Section 4.00	-1	—	—
Adjustment per Section 31.60	—	-57	—
TOTALS, EXPENDITURES	\$959	\$1,946	\$2,280

0890 Federal Trust Fund

APPROPRIATIONS			
001 Budget Act appropriation	\$102	\$103	\$103
Adjustment per Section 3.60	1	—	—
Budget Adjustment	-96	—	—
TOTALS, EXPENDITURES	\$7	\$103	\$103

0965 Timber Tax Fund

APPROPRIATIONS			
001 Budget Act appropriation	\$2,819	\$2,593	\$2,042
Allocation for employee compensation	—	28	—
Adjustment per Section 3.60	—	49	—
Adjustment per Section 4.00	-3	—	—
Adjustment per Section 31.60	—	-84	—
Adjustment per Section 4.20	—	-1	—
Totals Available	\$2,816	\$2,585	\$2,042
Unexpended balance, estimated savings	-322	-651	—
TOTALS, EXPENDITURES	\$2,494	\$1,934	\$2,042

0995 Reimbursements

APPROPRIATIONS			
Reimbursements	\$90,769	\$89,103	\$88,673

3015 Gas Consumption Surcharge Fund

APPROPRIATIONS			
001 Budget Act appropriation	\$33	\$31	\$369
Allocation for contingencies or emergencies	—	276	—
Adjustment per Section 3.60	—	1	—
Adjustment per Section 31.60	—	-2	—
TOTALS, EXPENDITURES	\$33	\$306	\$369
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$311,974	\$320,030	\$321,397

* Dollars in thousands, except in Salary Range.

0860 STATE BOARD OF EQUALIZATION—Continued

FUND CONDITION STATEMENT

0965 Timber Tax Fund "

	2001-02*	2002-03*	2003-04*
BEGINNING BALANCE.....	\$5,501	\$4,152	—
Prior year adjustments	53	—	—
Balance, Adjusted.....	\$5,554	\$4,152	—
REVENUES AND TRANSFERS			
Operating Revenues:			
213000 Property and natural resources (Timber Yield Tax)	14,992	13,000	\$14,000
215000 Income from investments.....	107	150	160
Totals, Operating Revenues	\$15,099	\$13,150	\$14,160
Totals, Resources	\$20,653	\$17,302	\$14,160
EXPENDITURES			
Disbursements:			
0860 State Board of Equalization (State Operations)	2,494	1,934	2,042
3540 Department of Forestry (State Operations)	26	28	28
Totals, Disbursements	\$2,520	\$1,962	\$2,070
Other Disbursements:			
Allocation to counties (Local Assistance expenditure not reflected in departmental budget).....	13,981	15,340	12,090
Totals, Expenditures	\$16,501	\$17,302	\$14,160
FUND BALANCE.....	\$4,152	—	—

CHANGES IN
AUTHORIZED POSITIONS

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
Totals, Authorized Positions	3,787.1	3,926.7	3,922.7	\$188,728	\$197,795	\$201,500
Salary adjustments.....	—	—	—	—	529	529
Totals, Adjusted Authorized Positions	3,787.1	3,926.7	3,922.7	\$188,728	\$198,324	\$202,029
Workload and Administrative Adjustments:						
Adjustment per Control Section 31.60:						
Board:						
Second District:				Salary Range		
C.E.A. I	—	-1.0	-1.0	5,493-6,975	-66	-66
Bus Taxes Spec II.....	—	-1.0	-1.0	4,960-6,028	-59	-59
Staff Svcs Mgr II	—	-1.0	-1.0	4,963-5,987	-60	-60
Staff Svcs Analyst	—	-1.0	-1.0	2,507-3,957	-30	-30
Executive:						
Technology Services Division:						
DP Mgr II.....	—	-1.0	-1.0	4,958-6,026	-59	-59
Staff Info Sys Analyst	—	-2.0	-2.0	4,507-5,480	-108	-108
Asst Info Sys Analyst.....	—	-1.0	-1.0	2,764-4,155	-33	-33
Programmer I.....	—	-1.0	-1.0	2,903-3,465	-35	-35
Customer and Taxpayer Services						
Division:						
Exec Secty	—	-1.0	-1.0	2,688-3,268	-32	-32
Taxpayers' Rights and Equal						
Employment Opportunity						
Division:						
Assoc Govtl Prog Analyst.....	—	-1.0	-1.0	3,915-4,759	-47	-47
Legal:						
Legal Division:						
Tax Counsel	—	-0.5	-0.5	3,651-7,034	-22	-22
Exec Asst	—	-1.0	-1.0	2,926-3,556	-35	-35
Investigations Division:						
C.E.A. I	—	-1.0	-1.0	5,493-6,975	-66	-66
Assoc Tax Auditor	—	-2.0	-2.0	4,110-4,997	-99	-99
Bus Taxes Compliance Spec.....	—	-2.0	-2.0	4,110-4,997	-99	-99
Ofc Techn-Typing.....	—	-1.0	-1.0	2,390-2,905	-29	-29

* Dollars in thousands, except in Salary Range.

0860 STATE BOARD OF EQUALIZATION—Continued

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
Administration:						
Administration Department						
Administration:				Salary Range		
Staff Svcs Mgr II	-	-1.0	-1.0	\$4,963-5,987	-\$60	-\$60
Financial Management Division:						
Staff Svcs Mgr I	-	-1.0	-1.0	4,520-5,453	-54	-54
Administrative Support Division:						
Ofc Asst-Gen	-	-1.5	-1.5	1,846-2,465	-30	-30
Personnel Management Division:						
Pers Svcs Supvr III	-	-1.0	-1.0	3,558-4,325	-43	-43
Ofc Techn-Gen	-	-1.0	-1.0	2,348-2,855	-28	-28
Sales and Use Tax:						
Headquarters Operation Division:						
C.E.A. I	-	-1.0	-1.0	5,493-6,975	-66	-66
Assoc Tax Auditor	-	-1.0	-1.0	4,110-4,997	-49	-49
Bus Taxes Rep	-	-1.0	-1.0	2,764-4,155	-33	-33
Staff Svcs Analyst	-	-1.0	-1.0	2,507-3,957	-30	-30
Program Planning Division:						
Ofc Techn-Typing	-	-1.0	-1.0	2,390-2,905	-29	-29
Tax Techn I/II	-	-0.5	-0.5	2,029-2,855	-12	-12
Return Analysis and Allocation						
Division:						
Bus Taxes Rep	-	-1.0	-1.0	2,764-4,155	-33	-33
Supvng Tax Techn III	-	-1.0	-1.0	2,989-3,635	-36	-36
Tax Techn III	-	-2.0	-2.0	2,626-3,193	-63	-63
Key Data Opr	-	-2.0	-2.0	1,916-2,648	-46	-46
Ofc Asst-Typing	-	-1.0	-1.0	1,908-2,515	-23	-23
Ofc Asst-Gen	-	-1.0	-1.0	1,846-2,465	-20	-20
Field Offices:						
Supvng Tax Auditor I	-	-1.0	-1.0	4,517-5,489	-54	-54
Bus Taxes Compliance Supvr II	-	-1.0	-1.0	4,520-5,453	-54	-54
Assoc Tax Auditor	-	-11.0	-11.0	4,110-4,997	-542	-542
Bus Taxes Compliance Spec	-	-3.0	-3.0	4,110-4,997	-148	-148
Bus Taxes Rep	-	-9.0	-9.0	2,764-4,155	-298	-298
Tax Auditor	-	-5.0	-5.0	2,764-4,155	-192	-192
Supvng Tax Techn II	-	-1.0	-1.0	2,628-3,195	-32	-32
Ofc Techn-Typing	-	-1.0	-1.0	2,390-2,905	-29	-29
Tax Techn I/II	-	-7.0	-7.0	2,029-2,855	-170	-170
Ofc Asst-Gen	-	-1.0	-1.0	1,846-2,645	-20	-20
Property and Special Taxes:						
Policy, Planning and Evaluation						
Division:						
C.E.A. I	-	-1.0	-1.0	5,493-6,975	-66	-66
County Property Tax Division:						
Assoc Prop Auditor Appraiser	-	-2.0	-2.0	4,110-4,997	-99	-99
Special Taxes Department						
Administration:						
Adm Asst II	-	-1.0	-1.0	3,915-4,759	-47	-47
Excise Taxes Division:						
Bus Taxes Compliance Spec	-	-1.0	-1.0	4,110-4,997	-49	-49
Fuel Taxes Division:						
Assoc Tax Auditor	-	-1.0	-1.0	4,110-4,997	-49	-49
Ofc Techn-Typing	-	-1.0	-1.0	2,390-2,905	-29	-29
Tax Techn I/II	-	-2.0	-2.0	2,029-2,855	-49	-49
Ofc Asst-Gen	-	-1.0	-1.0	1,846-2,465	-20	-20
Adjustment per Section 31.70	-	-	-	-	2,554	2,554
Totals, Workload and Administrative						
Adjustments	-	-87.5	-87.5	-	-\$927	-\$927
Proposed New Positions:						
Property and Special Taxes:						
Excise Taxes Division:						
Assoc Tax Auditor	-	0.5	1.0	4,110-4,997	27	54
Tax Auditor	-	0.5	1.0	2,764-4,155	21	41
Tax Techn III	-	-	1.0	2,626-3,193	-	35
Blanket Funds-Overtime	-	-	-	-	3	2
Totals, Proposed New Positions	-	1.0	3.0	-	\$51	\$132
Total Adjustments	-	-86.5	-84.5	-	-\$347	-\$266
TOTALS, SALARIES AND WAGES	3,787.1	3,840.2	3,838.2	\$188,728	\$197,448	\$201,234

* Dollars in thousands, except in Salary Range.

0860 STATE BOARD OF EQUALIZATION—Continued

STATE BUILDING PROGRAM EXPENDITURES		Actual 2001-02*	Estimated 2002-03*	Proposed 2003-04*
PROGRAM ELEMENTS				
Major Projects				
99.12.005	San Jose District Office—Update the security for the Public Lobby .	—	—	\$168 ^{PWCgr}
	Totals, Major Projects	—	—	\$168
TOTALS, EXPENDITURES, ALL FUNDS, CAPITAL OUTLAY		—	—	\$168
0001	General Fund ^g	—	—	134
0995	Reimbursements ^r	—	—	34

RECONCILIATION WITH APPROPRIATIONS**3 CAPITAL OUTLAY****0001 General Fund**

APPROPRIATIONS				
001	Budget Act appropriation	—	—	\$134
TOTALS, EXPENDITURES		—	—	\$134

0995 Reimbursements

APPROPRIATIONS				
	Reimbursements	—	—	\$34
TOTALS, EXPENDITURES, ALL FUNDS (Capital Outlay)		—	—	\$168

0890 SECRETARY OF STATE

The Secretary of State, a constitutionally established office, is the chief election officer of the State and is responsible for the administration and enforcement of election laws. The office is also responsible for the administration and enforcement of laws pertaining to filing documents associated with corporations, limited partnerships, and the perfection of security agreements. In addition, the office is responsible for the appointment of notaries public, enforcement of notary laws and preservation of documents and records having historical significance. All documents filed are a matter of public record and of historical importance. They are available through prescribed procedures for public review and certification as to authenticity. In addition, the office is responsible for the International Business Relations Program that will promote California's international relations and improve the economic climate for foreign business development by providing specialized services needed to develop stronger connections between California and foreign-based companies.

The executive staff determines policy associated with the administration of the office through the programs of Elections, Political Reform, Business Programs, Archives, Information Technology and Management Services Divisions.

SUMMARY OF PROGRAM

REQUIREMENTS		01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
05	Business Programs	266.8	263.1	274.3	\$39,591	\$38,111	\$39,624
10	Elections	29.6	29.1	29.2	14,614	13,235	13,179
15	Political Reform	24.9	23.6	18.1	3,351	2,586	2,485
30	Archives	27.2	27.6	27.0	13,907	13,736	13,772
32	Executive	18.6	15.6	15.7	2,916	2,585	2,590
	Executive Distributed	—	—	—	-2,916	-2,585	-2,590
35	Management Services	53.6	50.0	50.1	6,681	5,570	5,556
35	Management Services Distributed	—	—	—	-6,396	-5,279	-5,263
38	Information Technology	33.5	37.3	36.9	9,489	7,496	7,515
	Information Technology Distributed	—	—	—	-9,438	-7,178	-7,197
98	State-mandated local programs	—	—	—	7,776	4	4
TOTALS, PROGRAMS		454.2	446.3	451.3	\$79,575	\$68,281	\$69,675
Less amount funded in the Political Reform Act of 1974		—	—	—	(734)	(742)	-754
Less reimbursements authorized in the Political Reform Act of 1974		—	—	—	(8)	(8)	-8
NET TOTALS, PROGRAMS		454.2	446.3	451.3	\$79,575	\$68,281	\$68,913
0001	General Fund				39,236	29,062	27,145
0228	Secretary of State's Business Fees Fund				32,333	31,692	32,939
0274	Business Reinvestment Fund				442	—	—
0995	Reimbursements				7,564	7,527	8,829

For the list of standard (lettered) footnotes, see the end of the Governor's Budget.

* Dollars in thousands, except in Salary Range.

0890 SECRETARY OF STATE—Continued**Major Budget Adjustments Proposed for 2002–03**

- Other Reductions
 - \$323,000 General Fund and \$1,020,000 Business Fees Fund and 24.0 personnel years (\$843,000-personal services, \$236,000-benefits, \$264,000-Operating Expenses and Equipment) pursuant to Control Section 31.60.
- An increase of \$510,000 Business Fees Fund pursuant to Control Section 31.70.
- An increase of \$233,000 Business Fees Fund to address an increase in the premiums for worker's compensation insurance.
- An increase of \$652,000 Business Fees Fund and 3.0 personnel years to address an increased workload in Notary Applicant Testing.

Major Budget Adjustments Proposed for 2003–04

- Other Reductions
 - \$323,000 General Fund and \$1,020,000 Business Fees Fund and 24.0 personnel years (\$843,000-personal services, \$236,000-benefits, \$264,000-Operating Expenses and Equipment) pursuant to Control Section 31.60.
 - \$137,000 General Fund and 3.0 personnel years from the Political Reform Division.
 - \$25,000 General Fund for out-of-state travel.
- An increase of \$6,500,000 Business Fees Fund to continue funding for Phase II of the Business Programs Automation Project.
- An increase of \$710,000 Business Fees Fund pursuant to Control Section 31.70.
- An increase of \$991,000 and 16.0 personnel years to support the Business Programs Division's increased workload related to corporate filings of statements of information.
- An increase of \$281,000 Business Fees Fund to address an increase in the premiums for worker's compensation insurance.
- An increase of \$61,000 Business Fees Fund and 1.0 personnel year to support the Business Programs Division's increased workload related to the filings of common interest development associations.

05 BUSINESS PROGRAMS DIVISION**Program Objectives Statement**

The Business Programs Division was created effective July 1, 1997 by combining the Corporate Filings, Limited Partnership, Uniform Commercial Code and the Notary Public Divisions. The consolidation of these programs will streamline activities and enhance customer service provided to companies and organizations doing business within the State of California.

The Corporate Filings Section files articles of incorporation, foreign qualifications, and related documents to ensure that corporations are properly formed, merged, amended, and dissolved in compliance with California law. The Section provides proprietary control over the proposed corporate name, the formation and changes in the structure of the corporation, and the cancellation and suspension of delinquent corporate entities. The Section also administers the filings of statement of officers, directors and agents for all corporations of record.

The Limited Partnership Section is responsible for filing and maintaining documents pertaining to a variety of non-corporate business entities, including limited partnerships, limited liability companies, limited liability partnerships, general partnerships and unincorporated associations. Once filed, the information is available via written request, over the telephone or in person at our public counter. In addition, the Section processes trademark and service mark filings, domestic partnership declarations, the Roster of Public Agencies, successor-in-interest filings, various types of bonds, including immigration consultants, and many other "special filings".

The Uniform Commercial Code section provides for the filing of financing statements and related documents so that a secured creditor may perfect a security interest in personal property covered by a security agreement as against other creditors. Not only does this program afford a secured creditor some protection against debtor bankruptcy, insolvency or default, but it also provides a prospective lender or seller with the means to determine if there are any previously perfected security interests involving certain personal property. The Section further files notices of federal tax liens against certain business entities, state tax liens and attachment liens against personal property, judgment liens, various agricultural liens, and related documents. The Secretary of State's staff examine all documents presented for filing for statutory compliance. The documents are then filed and open to public inspection. Certificates of filing and copies of filed records are available upon request.

The Notary Public Section appoints qualified persons authorized by Government Code, Chapter 3, Division 1, Title 2 to the office of Notary Public in sufficient numbers to perform a variety of official transactions necessary to fulfill personal and business needs throughout the State. Applicants seeking an appointment to act as a notary public are investigated by the Secretary of State to insure that the applicant has the required honesty and integrity to hold a commission. Investigations are conducted to determine if any administrative, civil or criminal law has been violated by either individuals holding current notary public commissions or by people holding themselves out as such. If so, the Secretary of State's Office takes appropriate action through the use of injunctions, restraining orders, civil penalties, administrative adjudication and criminal prosecution.

Authority

Corporations Code Titles 1–3 and Government Code Section 12180 et seq. Uniform Commercial Code, Chapter 4, Divisions 9, 10 and 11; Uniform Federal Tax Lien Registration Act; Chapter 14, Division 7 of Title 1 of the Government Code relating to the registration of State tax liens; Section 488.375 of the Code of Civil Procedure relating to attachment liens; Division 2, Chapter 1, Article 3, Section 697.510 of the Code of Civil Procedure relating to judgement liens; Sections 9790 and 22900 of the Business and Professions Code; and Sections 55701, 57402, 57510 and 57561 of the Food and Agricultural Code.

10 ELECTIONS**Program Objectives Statement**

The Secretary of State, as California's chief election officer, has broad responsibility in the areas of voter registration, the state ballot pamphlet, the initiative process, ballot voting, voting systems, voter participation, candidate certification, reporting of election results, and ensures that the state's elections laws are administered and complied with in a uniform manner. The Secretary of State issues technical information and legal opinions to the public, legislators and staff, and local elections officers regarding elections laws and procedures. The complexity of the state's elections systems requires constant vigilance by the Secretary of State, as well as promulgation of appropriate rules and regulations to ensure adequate and uniform enforcement of state elections laws. The investigations unit investigates allegations of illegal activity in voting, registration, petition circulation and elections administration. The Secretary of State certifies to the nomination and election of candidates; passage or failure of statewide ballot measures; produces and distributes the state ballot pamphlet; and is the central repository for data concerning voter registration and official election results.

Authority

Constitution, Elections Code, Government Code, Federal Voting Rights Act and the Federal Overseas Voting Act.

0890 SECRETARY OF STATE—Continued**15 POLITICAL REFORM****Program Objectives Statement**

The Secretary of State administers the campaign and lobbying disclosure provisions of the Political Reform Act of 1974, ensuring timely compliance with filing requirements. Under this law, the Secretary of State registers all campaign recipient committees and assures compliance with statutory reporting requirements through the review of reports filed. The Secretary of State also registers lobbying firms and employers, reviews the periodic reports filed by lobbying entities, and publishes a Directory of Lobbyists, Lobbying Firms and Lobbyist Employers. Since January of 2000, this division also supports the electronic filing requirements of the Political Reform Act and posts relevant disclosure information to the Internet so voters can track where campaign money is raised and spent and what lobbying activity is occurring in state government.

Authority

Government Code (Title 9, Political Reform).

30 ARCHIVES**Program Objectives Statement**

The California State Archives acquires, catalogs, indexes, preserves and provides reference access to historic and irreplaceable record material from a wide range of origins within the state, supplemented by an oral history program to fill gaps in the documentary materials. The Archives serves the general public directly and assists state agencies and other institutions by providing an organized and select body of California history from all three branches of government. Without this program for assembling historic information, many essential original materials would be lost or destroyed—leaving the state with a reference vacuum that would jeopardize vital state interests. The State Archives assisted in developing a museum and education program to extend archival resources to wider public audiences, under a partnership agreement with the California Archives Foundation. The Golden State Museum opened in the fall of 1998. Support for the California Heritage Preservation Commission is included in the budget for the State Archives.

Authority

Government Code Sections 6268, 12153, 12173, 12220–12233, 14755, 14901; Civil Code Section 1798.24(j).

32 EXECUTIVE OFFICE**Program Objectives Statement**

The Executive Office develops and manages overall departmental policy, coordinates and disseminates public information, handles correspondence and the scheduling of functions and appointments for the Secretary of State. In addition, the office is responsible for the International Business Relations Program that will promote California's international relations and improve the economic climate for foreign business development by providing specialized services needed to develop stronger connections between California and foreign-based companies.

Authority

California Business and Professions Code commencing with Section 14233.

35 MANAGEMENT SERVICES**Program Objectives Statement**

The Management Services Division provides the agency with the necessary personnel, general administrative, budgeting and fiscal services necessary to ensure the smooth and efficient operation of the line functions within the agency. Through analysis and research personnel, fiscal, budgetary and other administrative options are developed by Management Services to support the Secretary of State in policy, planning and directing the various programs administered within the agency. It also manages the Safe At Home Program created by Chapter 1005, Statutes of 1998.

38 INFORMATION TECHNOLOGY**Program Objectives Statement**

The Information Technology Division provides expertise to plan, develop, implement, and operate innovative and effective business and information systems solutions. These systems support the various program areas. The Division also provides oversight and sets policy for all information technology projects within the Secretary of State's Office.

98 LOCAL ASSISTANCE**Program Objectives Statement**

The objective of this program is to provide funding, pursuant to Section 6 of Article XIII B of the California Constitution, to reimburse local entities for costs they incur in complying with certain state-mandated local programs. Funding for four ongoing mandates is proposed for inclusion in the Budget Act: Voter registration procedures (Ch. 704/75); Absentee ballots (Ch. 77/78); Permanent absentee voters (Ch. 1422/82); and Brendon Maguire Act (Ch. 391/88). In addition, this budget proposes to continue the suspension of five mandates: Voter registration roll purge (Ch. 1401/76); Handicapped voter access (Ch. 494/79); Local elections (Ch. 1013/81); Democratic presidential delegates (Ch. 1603/82); and Election materials (Ch. 1042/85).

0890 SECRETARY OF STATE—Continued

PROGRAM BUDGET DETAIL

PROGRAM REQUIREMENTS

05 BUSINESS PROGRAMS DIVISION

	2001-02*	2002-03*	2003-04*
TOTALS, BUSINESS PROGRAMS DIVISION	\$39,591	\$38,111	\$39,624
State Operations:			
05.10 Business Programs	27,821	27,832	29,315
05.15 Executive Distribution	1,916	1,631	1,635
05.20 Management Services	4,376	3,455	3,443
05.30 Information Technology	5,478	5,193	5,231
0228 SOS Business Fees Fund	31,751	31,110	32,357
0274 Business Reinvestment Fund	442	-	-
0995 Reimbursements	7,398	7,001	7,267

PROGRAM REQUIREMENTS

10 ELECTIONS

TOTALS, ELECTIONS	\$14,614	\$13,235	\$13,179
State Operations:			
10.10 Election—General	3,560	2,899	2,852
10.20 Ballot Pamphlet Printing	3,710	4,300	4,300
10.30 Registration by Mail—Printing	57	404	404
10.40 Ballot Pamphlet Mailing	2,150	2,719	2,719
10.50 Registration by Mail—Postage	2,133	1,535	1,535
10.51 Election Night Reporting	457	-	-
10.55 Executive Distribution	254	208	209
10.60 Management Services	573	459	458
10.70 Information Technology	1,720	711	702
0001 General Fund	14,073	12,684	12,628
0228 SOS Business Fees Fund	538	538	538
0995 Reimbursements	3	13	13

PROGRAM REQUIREMENTS

15 POLITICAL REFORM

TOTALS, POLITICAL REFORM	\$3,351	\$2,586	\$2,485
State Operations:			
15.10 Political Reform	2,058	1,858	1,762
15.15 Executive Distribution	132	120	121
15.20 Management Services	296	239	238
15.30 Information Technology	865	369	364
0001 General Fund	3,288	2,570	1,715
0995 Reimbursements	63	16	8
Less amount funded in the Political Reform Act	(734)	(752)	754
Less reimbursements in the Political Reform Act	(8)	(8)	8

PROGRAM REQUIREMENTS

30 ARCHIVES

TOTALS, ARCHIVES	\$13,907	\$13,736	\$13,772
State Operations:			
30.10 Archives	10,723	11,035	11,079
30.15 Services to Business Fees Programs	44	44	44
30.18 Executive Distribution	614	626	625
30.20 Management Services	1,151	1,126	1,124
30.30 Information Technology	1,375	905	900
0001 General Fund	13,837	13,513	12,505
0228 SOS Business Fees Fund	44	44	44
0995 Reimbursements	26	179	1,223

PROGRAM REQUIREMENTS

32 EXECUTIVE

TOTALS, EXECUTIVE	-	-	-
0001 General Fund	-	-	-
0228 SOS Business Fees Fund	-	-	-

* Dollars in thousands, except in Salary Range.

0890 SECRETARY OF STATE—Continued

PROGRAM REQUIREMENTS

35 MANAGEMENT SERVICES

	2001-02*	2002-03*	2003-04*
TOTALS, MANAGEMENT SERVICES	\$285	\$291	\$293
0001 General Fund	262	291	293
0995 Reimbursements	23	0	0

PROGRAM REQUIREMENTS

38 INFORMATION TECHNOLOGY

TOTALS, INFORMATION TECHNOLOGY	\$51	\$318	\$318
Reimbursements	51	318	318
TOTALS, EXPENDITURES (State Operations)	\$71,799	\$68,277	\$69,671

PROGRAM REQUIREMENTS

98 STATE-MANDATED LOCAL PROGRAMS

Ch. 704/75—Voter Registration Procedures:			
Budget Act	\$1,134	\$1	\$1
Totals	\$1,134	\$1	\$1
Ch. 77/78—Absentee Ballots:			
Budget Act	6,307	1	1
Totals	\$6,307	\$1	\$1
Ch. 1422/82—Permanent absentee voters:			
Budget Act	335	1	1
Ch. 1042/85—Election Materials:			
Budget Act	0 ¹	0 ¹	0 ¹
Ch. 391/88—Brendon Maguire Act:			
Budget Act	—	1	1
Totals	\$7,776	\$4	\$4
Budget Acts	7,776	4	4
Claims Bills	—	—	—

¹ Mandates suspended pursuant to Government Code 17581.

SUMMARY BY OBJECT

1 STATE OPERATIONS

PERSONAL SERVICES	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
Authorized Positions (Equals Sch. 7A)	454.2	487.5	484.5	\$19,893	\$20,665	\$20,968
Total Adjustments	—	-18.0	-10.0	—	-595	-292
Estimated Salary Savings	—	-23.2	-23.2	—	-1,127	-1,180
Net Totals, Salaries and Wages	454.2	446.3	451.3	\$19,893	\$18,943	\$19,496
Staff Benefits	—	—	—	4,898	6,335	6,305
Totals, Personal Services	454.2	446.3	451.3	\$24,791	\$25,278	\$25,801
OPERATING EXPENSES AND EQUIPMENT				\$26,705	\$21,517	\$22,410
SPECIAL ITEMS OF EXPENSE						
Printing ballot pamphlets				3,710	4,300	4,300
Mailing ballot pamphlets				2,150	2,719	2,719
Printing registration cards				57	404	404
Mailing registration cards				2,133	1,535	1,535
Election night reporting				457	—	—
Totals, Special Items of Expense				\$8,507	\$8,958	\$8,958
Lease Revenue Bond				11,796	12,524	12,502
Base Rental Fee				11,760	12,435	12,413
Structural Insurance				36	89	89
TOTALS, EXPENDITURES				\$71,799	\$68,277	\$69,671
Less amount funded in the Political Reform Act				(734)	(752)	-754
Less reimbursements in the Political Reform Act				(8)	(8)	-8
NET TOTALS, EXPENDITURES				\$71,799	\$68,277	\$68,909

* Dollars in thousands, except in Salary Range.

0890 SECRETARY OF STATE—Continued

RECONCILIATION WITH APPROPRIATIONS

1 STATE OPERATIONS

0001 General Fund

APPROPRIATIONS	2001-02*	2002-03*	2003-04*
001 Budget Act appropriation	\$22,437	\$18,993	\$18,783
Allocation for employee compensation	36	107	-
Allocation for contingencies or emergencies	32	-	-
Adjustment per Section 3.60	186	139	-
Adjustment per Section 3.90	-589	-	-
Adjustment per Section 4.60	4	-	-
Adjustment per Section 4.00	-22	-	-
Allocation for postage rate increases	6	-	-
Adjustment per Section 3.20 as added by Chapter 1, Statutes of 2002, Third Extraordinary Session	-608	-	-
Adjustment per Section 31.60	-	-323	-
Adjustment per Section 4.20	-	-3	-
Transfer from Item 8640-001-0001 (Political Reform Act)	734	752	-
003 Budget Act appropriation	8,997	9,402	8,358
Chapter 917, Statutes of 2001	600	-	-
Prior year balances available:			
Chapter 917, Statutes of 2001	-	21	-
Chapter 360, Statutes of 1999	40	2	-
Totals Available	\$31,853	\$29,090	\$27,141
Unexpended balance, estimated savings	-370	-32	-
Balance available in subsequent years	-23	-	-
TOTALS, EXPENDITURES	\$31,460	\$29,058	\$27,141

0228 Secretary of State's Business Fees Fund

APPROPRIATIONS			
001 Budget Act appropriation	\$28,382	\$27,649	\$30,299
Allocation for employee compensation	96	281	-
Allocation for contingencies or emergencies	547	885	-
Adjustment per Section 3.60	489	419	-
Adjustment per Section 4.60	1	-	-
Adjustment per Section 4.00	-27	-	-
Allocation for postage rate increases	24	-	-
Allocation for Americans with Disabilities Act (ADA) Barrier Removal	2	-	-
Adjustment per Section 31.60	-	-1,020	-
Adjustment per Section 31.70	-	510	-
Adjustment per Section 4.20	-	-3	-
003 Budget Act appropriation	2,841	2,970	2,640
Allocation for contingencies or emergencies	6	-	-
011 Budget Act appropriation (Transfer to the General Fund)	-	(1,000)	-
Prior year balances available:			
Chapter 991, Statutes of 1999	18	11	-
Totals Available	\$32,379	\$31,702	\$32,939
Unexpended balance, estimated savings	-35	-10	-
Balance available in subsequent years	-11	-	-
TOTALS, EXPENDITURES	\$32,333	\$31,692	\$32,939

0274 Business Reinvestment Fund

APPROPRIATIONS			
001 Budget Act appropriation	\$442	-	-
011 Budget Act appropriation (Transfer to the General Fund)	-	(\$3,056)	(\$193)
TOTALS, EXPENDITURES	\$442	-	-

0995 Reimbursements

APPROPRIATIONS			
Reimbursements	\$7,564	\$7,527	\$8,829
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$71,799	\$68,277	\$68,909

* Dollars in thousands, except in Salary Range.

0890 SECRETARY OF STATE—Continued

RECONCILIATION WITH APPROPRIATIONS

2 LOCAL ASSISTANCE

0001 General Fund

APPROPRIATIONS	2001-02*	2002-03*	2003-04*
295 Budget Act appropriation (State Mandates)	\$8,104	\$4	\$4
Chapter 723, Statutes of 2001	4,165	—	—
Totals Available	\$12,269	\$4	\$4
Unexpended balance, estimated savings	-4,493	—	—
TOTALS, EXPENDITURES	\$7,776	\$4	\$4
TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)	\$7,776	\$4	\$4
TOTALS, EXPENDITURES, ALL FUNDS (State Operations and Local Assistance)	\$79,575	\$68,281	\$68,913

FUND CONDITION STATEMENT

0228 Secretary of State's Business Fees Fund ^s

	2001-02*	2002-03*	2003-04*
BEGINNING BALANCE.....	\$730	\$1,053	\$133
Prior year adjustments	277	—	—
Balance, Adjusted.....	\$1,007	\$1,053	\$133
REVENUES AND TRANSFERS			
Revenues:			
124100 Domestic corporation fees	8,366	8,749	9,500
124200 Foreign corporation fees	1,317	1,379	1,479
124300 Notary public license fees	1,396	985	985
124400 Filing financing statements	3,976	4,015	4,015
125600 Other regulatory fees	3,681	3,608	3,608
142000 General fees—Secretary of State	15,607	15,000	15,100
142500 Miscellaneous services	1	2	2
150300 Interest from surplus money investments	393	532	532
161400 Miscellaneous revenue	127	127	127
164400 CCVIASS	3	2	2
Totals, Revenues	\$34,867	\$34,399	\$35,350
Transfers to Other Funds:			
T00001 General Fund per Government Code Section 12176	-2,488	-2,627	-2,511
T00001 General Fund per Item 0890-011-0228, Budget Act of 2002.....	—	-1,000	—
Totals, Transfers	-\$2,488	-\$3,627	-\$2,511
Totals, Revenues and Transfers	\$32,379	\$30,772	\$32,839
Totals, Resources	\$33,386	\$31,825	\$32,972
EXPENDITURES			
0890 Secretary of State's Office (State Operations)	32,333	31,692	32,939
Totals, Expenditures	\$32,333	\$31,692	\$32,939
FUND BALANCE.....	\$1,053	\$133	\$33
Reserve for continuing appropriation.....	11	—	—
Reserve for unencumbered balance of continuing appropriations	1,042	133	33
0274 Business Reinvestment Fund ^s			
BEGINNING BALANCE.....	\$3,498	\$3,249	\$193
Prior year adjustments	193	—	—
Balance, Adjusted.....	\$3,691	\$3,249	\$193

* Dollars in thousands, except in Salary Range.

0890 SECRETARY OF STATE—Continued

REVENUES AND TRANSFERS	2001-02*	2002-03*	2003-04*
Totals, Revenues	—	—	—
Transfers to Other Funds:			
T00001 General Fund per Government Code Section 16351	—	—	-\$193
T00001 General Fund per Item 0890-011-0274, Budget Act of 2002.....	—	-\$3,056	—
Totals, Transfers to Other Funds	—	-\$3,056	-\$193
Totals, Revenues and Transfers	—	-\$3,056	-\$193
Totals, Resources	\$3,691	\$193	—
EXPENDITURES			
0890 Secretary of State's Office	442	—	—
Totals, Expenditures	\$442	—	—
FUND BALANCE	\$3,249	\$193	—
Reserve for economic uncertainties	3,249	193	—

CHANGES IN AUTHORIZED POSITIONS	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
Totals, Authorized Positions	454.2	487.5	484.5	\$19,893	\$20,665	\$20,968
Salary adjustments	—	—	—	—	64	64
Totals, Adjusted Authorized Positions	454.2	487.5	484.5	\$19,893	\$20,729	\$21,032
Workload and Administrative Adjustments:						
Reduction in Authorized Positions:						
Political Reform Division:				Salary Range		
Prog Techn III	—	—	-1.0	2,626-3,193	—	-35
Prog Techn II	—	—	-1.0	2,348-2,855	—	-31
Prog Techn	—	—	-1.0	2,029-2,648	—	-28
Total	—	—	-3.0	—	—	-\$94
Adjustment per Control Section 31.60:						
Executive Division:						
Exec Asst	—	-2.0	-2.0	2,926-3,556	-82	-82
Political Reform Division:						
Assoc Govtl Prog Analyst	—	-1.0	-1.0	3,915-4,759	-52	-52
Archives Division:						
Ofc Techn-Typing	—	-1.0	-1.0	2,348-2,855	-32	-32
Ofc Asst-Typing	—	-1.0	-1.0	1,908-2,465	-26	-26
Information Technology Division:						
Assoc Info Sys Analyst	—	-1.0	-1.0	4,110-4,997	-56	-56
Elections Division:						
Prog Techn II	—	-2.0	-2.0	2,348-2,855	-66	-66
Business Programs Division:						
Staff Svcs Mgr II	—	-1.0	-1.0	4,963-5,987	-72	-72
Prog Techn II	—	-5.0	-5.0	2,348-2,855	-170	-170
Prog Techn	—	-6.0	-6.0	2,029-2,648	-180	-180
Ofc Asst-Typing	—	-4.0	-4.0	1,908-2,465	-107	-107
Totals	—	-24.0	-24.0	—	-\$843	-\$843
Proposed New Positions:						
Business Programs Division:						
Staff Counsel	—	—	1.0	3,651-7,034	—	64
Assoc Govtl Prog Analyst	—	—	1.0	3,915-4,759	—	52
Legal Asst	—	—	1.0	3,013-3,450	—	39
Prog Techn II	—	5.0	11.0	2,348-2,855	156	343
Prog Techn	—	—	2.0	2,029-2,648	—	56
Ofc Asst-Typing	—	1.0	1.0	1,908-2,465	28	27
Totals, Proposed New Positions	—	6.0	17.0	—	\$184	\$581
Total Adjustments	—	-18.0	-10.0	—	-\$595	-\$292
TOTALS, SALARIES AND WAGES	454.2	469.5	474.5	\$19,893	\$20,070	\$20,676

* Dollars in thousands, except in Salary Range.

0950 STATE TREASURER

The State Treasurer provides banking services for State government with goals to minimize interest and service costs and to maximize yield on investments. The Treasurer is responsible for the custody of all monies and securities belonging to or held in trust by the State; investment of temporarily idle State monies; administration of the sale of State bonds, their redemption and interest payments; and payment of warrants drawn by the State Controller and other State agencies.

Major Budget Adjustment Proposed for 2002–03

- Reduction Issue in the December Revision
 - \$18,000 General Fund for out-of-state travel (does not impact trips by the Treasurer or by the Public Finance Division for external borrowing activities).

Major Budget Adjustment Proposed for 2003–04

- Reduction Issue in the December Revision
 - \$38,000 General Fund for out-of-state travel (does not impact trips by the Treasurer or by the Public Finance Division for external borrowing activities).

Authority

Government Code Sections 12300–12333, 16300–16600, 53661.

SUMMARY OF PROGRAM

REQUIREMENTS	01–02	02–03	03–04	2001–02*	2002–03*	2003–04*
10 Investment Services	16.6	16.2	16.2	\$2,545	\$2,520	\$2,475
20 Cash Management	50.6	50.7	50.7	6,574	7,070	6,973
30 Public Finance	40.2	49.4	49.4	10,070	7,653	5,397
35 Securities Management	35.2	31.0	31.0	3,947	4,026	3,911
50 Administration and Information Services	80.0	81.0	81.0	8,552	8,918	9,100
Distributed Administration	–	–	–	–7,020	–7,420	–7,142
98 State-mandated local programs	–	–	–	3,449	1	1
TOTALS, PROGRAMS.....	222.6	228.3	228.3	\$28,117	\$22,768	\$20,715
0001 General Fund				12,225	8,659	6,424
0321 Oil Spill Response Trust Fund				118	–	–
0995 Reimbursements				15,774	14,109	14,291

10 INVESTMENT SERVICES

Program Objectives Statement

The Investment Division is responsible for investment of State monies from the date of receipt through the date of redemption. During the 2001–02 fiscal year, this Division handled 9,275 security investment transactions totaling \$322.5 billion. The Pooled Money Investment Board program accounted for 6,487 of these transactions totaling \$299.6 billion; time deposits accounted for 1,538 transactions totaling \$22.7 billion. The remaining \$200 million is invested on behalf of the State's special funds, such as those associated with the California Housing Finance Agency, the Department of Fish and Game, the State's retirement system, etc. The Division also administers the Local Agency Investment Fund (LAIF), a voluntary investment program created to offer California local agencies greater access to the financial markets through the Pooled Money Investment Board program. In the 2001–02 fiscal year, 3,039 local agencies participated in LAIF, with deposits averaging \$19.1 billion for the fiscal year.

Major Budget Adjustment Proposed for 2002–03

- Reduction Issue in the December Revision
 - Shift \$21,000 from General Fund to reimbursements as a result of administrative cost realignment.

Major Budget Adjustment Proposed for 2003–04

- Reduction Issue in the December Revision
 - Shift \$83,000 from General Fund to reimbursements as a result of administrative cost realignment.

20 CASH MANAGEMENT

Program Objectives Statement

The Cash Management Division is responsible for managing the State's cash resources as mandated by the Pooled Money Investment Board and Government Code Sections 16500 through 16510. The Division analyzes the State's cashflow and completes a daily forecast of available cash which allows others to make informed investment and business decisions. The Division is also responsible for administering the Centralized Banking Services Program. An integral part of managing the State's cash is the Centralized Treasury System which is responsible for processing and reconciling state warrants and agency checks presented by banks for payment, processing stop payment and forgery items, and reconciling all the State's deposits within the Treasury System. The Division is also responsible for maintaining the State's vault used for the safekeeping of moneys and securities pursuant to Government Code Section 12320 and for providing security in the handling and processing of billions of dollars in negotiable securities.

For the list of standard (lettered) footnotes, see the end of the Governor's Budget.

* Dollars in thousands, except in Salary Range.

0950 STATE TREASURER—Continued**Major Budget Adjustments Proposed for 2002–03**

- Reduction Issue in the December Revision
 - Shift \$54,000 from General Fund to reimbursements as a result of administrative cost realignment.
- Other Reduction
 - A reduction of one vacant position and \$33,539 per Control Section 31.60 (\$22,992 personal services, \$9,397 staff benefits, and \$1,150 operating expenses and equipment).

Major Budget Adjustments Proposed for 2003–04

- Reduction Issue in the December Revision
 - Shift \$215,000 from General Fund to reimbursements as a result of administrative cost realignment.
- Other Reduction
 - A reduction of one vacant position and \$33,539 per Control Section 31.60 in the 2002 Budget Act (\$22,992 personal services, \$9,397 staff benefits, and \$1,150 operating expenses and equipment).

30 PUBLIC FINANCE**Program Objectives Statement**

The Public Finance Division is responsible for selling all State of California general obligation bonds, revenue anticipation notes, commercial paper notes and many revenue bonds. The Division also provides trust services for most State bonds. Interim financing from the Pooled Money Investment Account is also arranged to meet the immediate cash needs of the various bond programs. Interest costs are minimized through a planned bond marketing program. This program includes disseminating information to bondholders through the investor relations program.

The Division also assures compliance with federal tax laws applicable to State debt by investing and reinvesting bond sale proceeds as needed to meet federal yield restriction requirements, tracking expenditures, and computing and rebating arbitrage profit or other payments to the federal government.

Major Budget Adjustment Proposed for 2002–03

- Reduction Issue in the December Revision
 - Shift \$28,000 from General Fund to reimbursements as a result of administrative cost realignment.

Major Budget Adjustment Proposed for 2003–04

- Reduction Issue in the December Revision
 - Shift \$112,000 from General Fund to reimbursements as a result of administrative cost realignment.

35 SECURITIES MANAGEMENT**Program Objectives Statement**

The Securities Management Division was created in 1999 and consists of the Bondholder Services Section and the Securities Clearance Section, which were formerly part of the Public Finance Division.

The Securities Management Division is responsible for servicing and redeeming general obligation bonds, revenue bonds and revenue anticipation notes for which the State Treasurer's Office serves as Trustee. The Division maintains bond ownership information and ensures the timely payment of principal and interest to bondholders.

The Division is responsible for the clearing, settling and accounting for all securities purchased or sold for investment purposes for the Pooled Money Investment Account and other state agencies through its custodian.

The Division is also responsible for the safekeeping of all securities and other personal property owned by or pledged to the State. These securities are held in the Treasurer's vault or in approved depositories such as the Federal Reserve Bank in San Francisco.

Major Budget Adjustments Proposed for 2002–03

- Reduction Issue in the December Revision
 - Shift \$50,000 from General Fund to reimbursements as a result of administrative cost realignment.
- Other Reduction
 - A reduction of one vacant position and \$40,985 per Control Section 31.60 (\$30,084 personal services, \$9,397 staff benefits, and \$1,504 operating expenses and equipment).

Major Budget Adjustments Proposed for 2003–04

- Reduction Issue in the December Revision
 - Shift \$203,000 from the General Fund to reimbursements as a result of administrative cost realignment.
- Other Reduction
 - A reduction of one vacant position and \$40,985 per Control Section 31.60 in the 2002 Budget Act (\$30,084 personal services, \$9,397 staff benefits, and \$1,504 operating expenses and equipment).

50 ADMINISTRATION AND INFORMATION SERVICES**Program Objectives Statement**

The Administration Division, Executive Office, and the Information Services Division provide executive direction and support services to programs in the State Treasurer's Office. Services include budgeting, personnel, accounting, information systems, business services, technical support, and production operations.

0950 STATE TREASURER—Continued**Major Budget Adjustment Proposed for 2002–03**

- A reduction of five vacant positions and \$303,319 per Control Section 31.60 (\$244,128 personal services, \$46,985 staff benefits, and \$12,206 operating expenses and equipment).

Major Budget Adjustment Proposed for 2003–04

- A reduction of five vacant positions and \$303,319 per Control Section 31.60 in the 2002 Budget Act (\$244,128 personal services, \$46,985 staff benefits, and \$12,206 operating expenses and equipment).

98 STATE-MANDATED LOCAL PROGRAMS**Program Objectives Statement**

This program provides funding, pursuant to Section 6 of Article XIII B of the California Constitution, to reimburse local entities for costs incurred in complying with state mandates.

PROGRAM BUDGET DETAIL**PROGRAM REQUIREMENTS****10 INVESTMENT SERVICES**

State Operations:	2001–02*	2002–03*	2003–04*
0001 General Fund	\$616	\$548	\$494
0995 Reimbursements	1,929	1,972	1,981
Totals, State Operations	\$2,545	\$2,520	\$2,475

PROGRAM REQUIREMENTS**20 CASH MANAGEMENT**

State Operations:	2001–02*	2002–03*	2003–04*
0001 General Fund	\$476	\$2,840	\$2,731
0995 Reimbursements	6,098	4,230	4,242
Totals, State Operations	\$6,574	\$7,070	\$6,973

PROGRAM REQUIREMENTS**30 PUBLIC FINANCE**

State Operations:	2001–02*	2002–03*	2003–04*
0001 General Fund	\$5,837	\$3,640	\$1,704
0321 Oil Spill Response Trust Fund	118	—	—
0995 Reimbursements	4,115	4,013	3,693
Totals, State Operations	\$10,070	\$7,653	\$5,397

PROGRAM REQUIREMENTS**35 SECURITIES MANAGEMENT DIVISION**

State Operations:	2001–02*	2002–03*	2003–04*
0001 General Fund	\$1,651	\$1,630	\$1,494
0995 Reimbursements	2,296	2,396	2,417
Totals, State Operations	\$3,947	\$4,026	\$3,911

PROGRAM REQUIREMENTS**50 ADMINISTRATION AND INFORMATION SERVICES—
UNDISTRIBUTED**

State Operations:	2001–02*	2002–03*	2003–04*
0001 General Fund	\$196	—	—
0995 Reimbursements	1,336	\$1,498	\$1,958
Totals, State Operations	\$1,532	\$1,498	\$1,958

PROGRAM REQUIREMENTS**98 STATE-MANDATED LOCAL PROGRAMS**

Local Assistance:	2001–02*	2002–03*	2003–04*
Ch. 783/95-Investment Reports	\$3,449	\$1	\$1
Totals, Local Assistance	\$3,449	\$1	\$1

* Dollars in thousands, except in Salary Range.

0950 STATE TREASURER—Continued

TOTAL EXPENDITURES

	2001-02*	2002-03*	2003-04*
State Operations	\$24,668	\$22,767	\$20,714
Local Assistance	3,449	1	1
TOTALS, EXPENDITURES	\$28,117	\$22,768	\$20,715

SUMMARY BY OBJECT
1 STATE OPERATIONS

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A)	222.6	244.3	244.3	\$11,822	\$13,127	\$13,359
Total Adjustments	—	-4.0	-4.0	—	-144	-141
Estimated Salary Savings	—	-12.0	-12.0	—	-643	-643
Net Totals, Salaries and Wages	222.6	228.3	228.3	\$11,822	\$12,340	\$12,575
Staff Benefits	—	—	—	2,309	2,626	2,551
Totals, Personal Services	222.6	228.3	228.3	\$14,131	\$14,966	\$15,126
OPERATING EXPENSES AND EQUIPMENT				\$10,537	\$7,801	\$5,588
TOTALS, EXPENDITURES				\$24,668	\$22,767	\$20,714
NET TOTALS, EXPENDITURES				\$24,668	\$22,767	\$20,714

RECONCILIATION WITH APPROPRIATIONS
1 STATE OPERATIONS
0001 General Fund

	2001-02*	2002-03*	2003-04*
APPROPRIATIONS			
001 Budget Act appropriation	\$11,985	\$8,772	\$6,423
Allocation for employee compensation	19	65	—
Adjustment per Section 3.60	158	148	—
Adjustment per Section 3.90	-425	—	—
Adjustment per Section 4.60	42	—	—
Adjustment per Section 4.00	-17	—	—
Allocation for Americans with Disabilities Act (ADA) Barrier Removal	184	—	—
Adjustment per Section 3.20 as added by Chapter 1, Statutes of 2002, Third Extraordinary Session	-277	—	—
Adjustment per Section 31.60	—	-153	—
Adjustment per Section 4.20	—	-3	—
Adjustment per Mid-Year Revision Legislation	—	-171	—
Totals Available	\$11,669	\$8,658	\$6,423
Unexpended balance, estimated savings	-2,893	—	—
TOTALS, EXPENDITURES	\$8,776	\$8,658	\$6,423

0321 Oil Spill Response Trust Fund

APPROPRIATIONS			
001 Budget Act appropriation	\$200	—	—
Totals Available	\$200	—	—
Unexpended balance, estimated savings	-82	—	—
TOTALS, EXPENDITURES	\$118	—	—

0995 Reimbursements

APPROPRIATIONS			
Reimbursements	\$15,774	\$14,109	\$14,291
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$24,668	\$22,767	\$20,714

* Dollars in thousands, except in Salary Range.

0950 STATE TREASURER—Continued

SUMMARY BY OBJECT
2 LOCAL ASSISTANCE

	2001-02*	2002-03*	2003-04*
State Mandates (Investments Reports)	\$3,449	\$1	\$1

RECONCILIATION WITH APPROPRIATIONS
2 LOCAL ASSISTANCE
0001 General Fund

APPROPRIATIONS	2001-02*	2002-03*	2003-04*
295 Budget Act appropriation (State Mandates)	\$3,449	\$1	\$1
Chapter 723, Statutes of 2001 (State Mandates)	1,560	-	-
Totals Available	\$5,009	\$1	\$1
Unexpended balance, estimated savings	-1,560	-	-
TOTALS, EXPENDITURES	\$3,449	\$1	\$1
TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)	\$3,449	\$1	\$1
TOTALS, EXPENDITURES, ALL FUNDS (State Operations and Local Assistance)	\$28,117	\$22,768	\$20,715

CHANGES IN
AUTHORIZED POSITIONS

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
Totals, Authorized Positions	222.6	244.3	244.3	\$11,822	\$13,127	\$13,359
Workload and Administrative Adjustments:				Salary Range		
Assoc Treasury Prog Ofcr (Investments Div)	-	1.0	1.0	3,915-4,759	47	47
Assoc Treasury Prog Ofcr (Securities Mgt Div)	-	2.0	2.0	3,915-4,759	106	109
Totals, Workload and Administrative Adjustments	-	3.0	3.0	-	\$153	\$156
Adjustment per Control Section 31.60:						
Staff Programmer Analyst-Spec (Info Svcs Div)	-	-2.0	-2.0	4,507-5,480	-98	-98
Assoc Programmer Analyst-Spec (Info Svcs Div)	-	-2.0	-2.0	4,110-4,997	-108	-108
Info Sys Techn Spec I (Info Svcs Div)	-	-1.0	-1.0	3,110-3,780	-38	-38
Jr Staff Analyst-Gen (Securities Mgt Div) ..	-	-1.0	-1.0	2,507-3,300	-30	-30
Key Data Opr (Cash Mgt Div)	-	-1.0	-1.0	1,916-2,648	-23	-23
Total	-	-7.0	-7.0	-	-\$297	-\$297
Total Adjustments	-	-4.0	-4.0	-	-\$144	-\$141
TOTALS, SALARIES AND WAGES	222.6	240.3	240.3	\$11,822	\$12,983	\$13,218

0954 SCHOLARSHARE INVESTMENT BOARD

SUMMARY OF PROGRAM
REQUIREMENTS

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
10 Golden State ScholarShare Trust Program (ScholarShare Administrative Fund)	3.9	3.0	3.0	\$384	\$966	\$967
20 Governor's Scholarship Programs (General Fund)	3.0	3.0	3.0	115,481	122,357	44,559
TOTALS, PROGRAMS	6.9	6.0	6.0	\$115,865	\$123,323	\$45,526
0001 General Fund				115,481	122,357	44,559
0564 ScholarShare Administrative Fund				384	966	967

For the list of standard (lettered) footnotes, see the end of the Governor's Budget.
 * Dollars in thousands, except in Salary Range.

0954 SCHOLARSHARE INVESTMENT BOARD—Continued**10 GOLDEN STATE SCHOLARSHARE TRUST PROGRAM****Program Objectives Statement**

Chapter 851, Statutes of 1997, established the Golden State ScholarShare Trust Program (ScholarShare), which is a State-sponsored, college savings program. The ScholarShare Investment Board (SIB) comprises seven members who oversee and administer the program. ScholarShare was created to help families save for the costs of higher education, as allowed by federal law. The funds must be used to pay for the cost of post secondary education, including tuition, fees, supplies, books, certain room and board expenses, and required educational costs. Through the program, any adult can open an account on behalf of any designated beneficiary and deposit funds into it. All ScholarShare earnings and qualified withdrawals are tax-free when used for qualified expenses. Administrative costs for the program are paid from the ScholarShare Administrative Fund, which is supported by a portion of the investment returns.

Authority

Chapter 664, Statutes of 1999, amended Education Code Section 69980.

20 GOVERNOR'S SCHOLARSHIP PROGRAMS**Program Objectives Statement**

Chapter 404, Statutes of 2000, established the Governor's Scholarship Programs to be administered by the SIB. The Governor's Scholarship Programs reward public school students who demonstrate high academic achievement, as evidenced by their scores in the 9th, 10th, or 11th grades on certain examinations. Under the guidelines of the Governor's Scholar's Programs, students receive a \$1,000 higher education scholarship award if they have taken certain standardized tests and attained a combined California English Language Arts Standards Test Score and the California Mathematics Standards Test Score that places them in 1) the top 5 percent of public school students statewide in their grade, or 2) in the top 10 percent of students within their comprehensive public school in their grade. Under the guidelines of the Governor's Distinguished Mathematics and Science Scholars Program, a supplemental award of \$2,500 is available to students who also attain specific scores on particular Advanced placement or International Baccalaureate exams. These higher education scholarship awards are invested in a Golden State ScholarShare Trust Account until used by the student for eligible educational expenses.

Authority

Chapter 404, Statutes of 2000, added Article 20 (commencing with Section 69995) to Chapter 2 of Part 42 to the Education Code.

Major Budget Adjustments Proposed for 2002-03

- Reduction Issue in the December Revision
 - \$171,000 General Fund in State Operations reductions associated with increased efficiencies and reduced contract workload for Scholarshare Account maintenance.
- Other Adjustment
 - \$93,249,000 General Fund to provide Governor's Scholars Awards and Governor's Math and Science Scholars Awards to all qualified recipients in accordance with current law.

Major Budget Adjustments Proposed for 2003-04

- Reduction Issue in the December Revision
 - \$192,000 General Fund in State Operations reductions associated with increased efficiencies and reduced contract workload for Scholarshare Account maintenance.
- Other Adjustment
 - \$15,400,000 General Fund to fund only Governor's Scholars Awards and Governor's Math and Science Scholars Awards to all qualified recipients in grade 11. The Administration is proposing legislation to authorize appropriation of funding for 9th and 10th grade awards after the award winners have completed the 11th grade. This proposal reflects budget year savings of \$39.6 million General Fund.

SUMMARY BY OBJECT**1 STATE OPERATIONS**

	<i>01-02</i>	<i>02-03</i>	<i>03-04</i>	<i>2001-02*</i>	<i>2002-03*</i>	<i>2003-04*</i>
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A)	6.9	6.0	6.0	\$372	\$342	\$350
Net Totals, Salaries and Wages	6.9	6.0	6.0	\$372	\$342	\$350
Staff Benefits	—	—	—	76	71	73
Totals, Personal Services	6.9	6.0	6.0	\$448	\$413	\$423
OPERATING EXPENSES AND EQUIPMENT				\$740	\$1,661	\$1,703
TOTALS, EXPENDITURES				\$1,188	\$2,074	\$2,126

* Dollars in thousands, except in Salary Range.

0954 SCHOLARSHARE INVESTMENT BOARD—Continued**RECONCILIATION WITH APPROPRIATIONS****1 STATE OPERATIONS****0001 General Fund**

APPROPRIATIONS	2001-02*	2002-03*	2003-04*
001 Budget Act appropriation	\$1,300	\$1,271	\$1,159
Allocation for employee compensation	1	3	—
Adjustment per Section 3.60	6	5	—
Adjustment per Section 3.90	-34	—	—
Adjustment per Section 4.00	-1	—	—
Adjustment per Section 3.20 as added by Chapter 1, Statutes of 2002, Third Extraordinary Session	-14	—	—
Adjustment per Mid-Year Revision Legislation	—	-171	—
Totals Available	\$1,258	\$1,108	\$1,159
Unexpended balance, estimated savings	-454	—	—
TOTALS, EXPENDITURES	\$804	\$1,108	\$1,159

0564 Scholarshare Administrative Fund

APPROPRIATIONS	2001-02*	2002-03*	2003-04*
001 Budget Act appropriation	\$959	\$957	\$967
Allocation for employee compensation	1	3	—
Adjustment per Section 3.60	8	6	—
Adjustment per Section 4.00	-1	—	—
Totals Available	\$967	\$966	\$967
Unexpended balance, estimated savings	-583	—	—
TOTALS, EXPENDITURES	\$384	\$966	\$967
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$1,188	\$2,074	\$2,126

RECONCILIATION WITH APPROPRIATIONS**2 LOCAL ASSISTANCE****0001 General Fund**

APPROPRIATIONS	2001-02*	2002-03*	2003-04*
101 Budget Act appropriation	\$118,000	\$28,000	\$43,400
Increase expenditure authority per Provision 1	—	93,249	—
Totals Available	\$118,000	\$121,249	\$43,400
Unexpended balance, estimated savings	-3,323	—	—
TOTALS, EXPENDITURES	\$114,677	\$121,249	\$43,400
TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)	\$114,677	\$121,249	\$43,400
TOTALS, EXPENDITURES, ALL FUNDS (State Operations and Local Assistance)	\$115,865	\$123,323	\$45,526

0956 CALIFORNIA DEBT AND INVESTMENT ADVISORY COMMISSION

The California Debt and Investment Advisory Commission (CDIAC) (formerly the California Debt Advisory Commission (CDAC)), was created by Chapter 1088, Statutes of 1981, to assist state and local governments in effectively and efficiently issuing, monitoring and managing public debt. The Commission became CDIAC with the enactment of Chapter 833, Statutes of 1996, the CDAC's responsibilities were expanded to include an investment component in its municipal education program and the development of information and resources related to the investment of public funds.

To carry out its responsibilities, the Commission maintains a database of all public debt issued in California, conducts continuing education programs in the public debt and investment areas, publishes a monthly newsletter with debt issuance data and informative articles, and conducts research to develop reports, guidelines and briefs on topical issues in public finance.

State and local issuers of public debt in California are required to give written notices of proposed and final sales to the Commission. Nonprofit student loan corporations also must report proposed debt issues to the Commission. The Commission is authorized to charge fees not to exceed a specified amount for any one issue. The fees collected are deposited into the California Debt and Investment Advisory Commission Fund (CDIACF) to cover the administrative costs of the Commission.

For the list of standard (lettered) footnotes, see the end of the Governor's Budget.

* Dollars in thousands, except in Salary Range.

0956 CALIFORNIA DEBT AND INVESTMENT ADVISORY COMMISSION—Continued

The city, county or city and county investor of public funds is required to forward copies of second and fourth quarter calendar year investment portfolio reports and annual copies of investment policies to the Commission. This information assists with the Commission's municipal finance research and its education programs and services.

The Commission consists of nine members including the State Treasurer, who serves as chairperson; the Governor or, upon his designation, the Director of Finance; the State Controller; two local government finance officers appointed by the State Treasurer; two members of the Assembly appointed by the Speaker of the Assembly and, two members of the Senate appointed by the Senate Committee on Rules.

Major Budget Adjustments Proposed for 2002–03

- A reduction of one vacant position and \$41,385 per Control Section 31.60 (\$28,176 personal services, \$11,800 staff benefits, and \$1,409 operating expenses and equipment).
- An increase of \$43,000 for administrative costs.

Major Budget Adjustments Proposed for 2003–04

- A reduction of one vacant position and \$41,385 per Control Section 31.60 in the 2002 Budget Act (\$28,176 personal services, \$11,800 staff benefits, and \$1,409 operating expenses and equipment).
- An increase of \$174,000 for administrative costs.

Authority

Government Code Sections 8855–8859.

**SUMMARY OF PROGRAM
REQUIREMENTS**

	<i>01–02</i>	<i>02–03</i>	<i>03–04</i>	<i>2001–02*</i>	<i>2002–03*</i>	<i>2003–04*</i>
10 California Debt and Investment Advisory Commission	12.7	15.0	15.0	\$1,511	\$1,869	\$1,995
0171 California Debt and Investment Advisory Commission Fund				1,443	1,769	1,895
0995 Reimbursements				68	100	100

**SUMMARY BY OBJECT
1 STATE OPERATIONS**

	<i>01–02</i>	<i>02–03</i>	<i>03–04</i>	<i>2001–02*</i>	<i>2002–03*</i>	<i>2003–04*</i>
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A)	12.7	16.0	16.0	\$700	\$883	\$895
Total Adjustments	–	–1.0	–1.0	–	–28	–28
Net Totals, Salaries and Wages	12.7	15.0	15.0	\$700	\$855	\$867
Staff Benefits	–	–	–	138	202	201
Totals, Personal Services	12.7	15.0	15.0	\$838	\$1,057	\$1,068
OPERATING EXPENSES AND EQUIPMENT				\$673	\$812	\$927
TOTALS, EXPENDITURES				\$1,511	\$1,869	\$1,995

RECONCILIATION WITH APPROPRIATIONS**1 STATE OPERATIONS****0171 California Debt and Investment Advisory Commission Fund**

	<i>2001–02*</i>	<i>2002–03*</i>	<i>2003–04*</i>
APPROPRIATIONS			
001 Budget Act appropriation	\$1,678	\$1,734	\$1,895
Allocation for employee compensation	2	7	–
Adjustment per Section 3.60	31	26	–
Adjustment per Section 4.60	7	–	–
Adjustment per Section 4.00	–4	–	–
Allocation for Americans with Disabilities Act (ADA) Barrier Removal	11	–	–
Adjustment per Section 31.60	–	–41	–
Revised expenditure authority per Provision 1	–	43	–
011 Budget Act appropriation (Transfer to the General Fund)	–	–	(3,000)
Totals Available	\$1,725	\$1,769	\$1,895
Unexpended balance, estimated savings	–282	–	–
TOTALS, EXPENDITURES	\$1,443	\$1,769	\$1,895

* Dollars in thousands, except in Salary Range.

0956 CALIFORNIA DEBT AND INVESTMENT ADVISORY COMMISSION—Continued**0995 Reimbursements**

APPROPRIATIONS	2001-02*	2002-03*	2003-04*
Reimbursements.....	\$68	\$100	\$100
TOTALS, EXPENDITURES, ALL FUNDS (State Operations).....	\$1,511	\$1,869	\$1,995

FUND CONDITION STATEMENT**0171 California Debt and Investment Advisory
Commission Fund^s**

	2001-02*	2002-03*	2003-04*
BEGINNING BALANCE.....	\$4,492	\$5,158	\$5,749
Prior year adjustments	1	—	—
Balance, Adjusted.....	\$4,493	\$5,158	\$5,749
REVENUES AND TRANSFERS			
Revenues:			
125600 Other regulatory fees.....	1,947	2,200	2,200
150300 Income from surplus money investments.....	161	160	160
Totals, Revenues	\$2,108	\$2,360	\$2,360
Transfers to Other Funds:			
T00001 To General Fund loan per Item 0956-011-0171, Budget Act of 2003.....	—	—	—3,000 ¹
Totals, Revenues and Transfers.....	\$2,108	\$2,360	—\$640
Totals, Resources	\$6,601	\$7,518	\$5,109
EXPENDITURES			
Disbursements:			
0956 California Debt and Investment Advisory Commission (State Operations).....	1,443	1,769	1,895
FUND BALANCE.....	\$5,158	\$5,749	\$3,214
Reserve for economic uncertainties	5,158	5,749	3,214

¹ This loan is one of the proposed solutions to the General Fund shortfall. It is not intended to adversely affect the programs supported by this fund.

CHANGES IN**AUTHORIZED POSITIONS**

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
Totals, Authorized Positions	12.7	16.0	16.0	\$700	\$883	\$895
Adjustment per Control Section 31.60:				Salary Range		
Ofc Techn-Typing	—	—1.0	—1.0	2,348-2,855	—28	—28
Totals	—	—1.0	—1.0	—	—\$28	—\$28
Total Adjustments.....	—	—1.0	—1.0	—	—\$28	—\$28
TOTALS, SALARIES AND WAGES	12.7	15.0	15.0	\$700	\$855	\$867

0959 CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

The California Debt Limit Allocation Committee was created through a proclamation signed by the Governor on July 19, 1984, in response to the enactment of the Federal Tax Reform Act of 1984. Another proclamation in response to the Federal Tax Reform Act of 1986 was signed by the Governor on September 30, 1986. Chapter 943, Statutes of 1987, supersedes the prior proclamations as the continuing authority for the Committee's operation. The Tax Reform Acts of 1984 and 1986 limit the dollar volume of federally tax-exempt "private activity" bonds which may be sold in any one state during a calendar year. The term "private activity", as applied to tax-exempt bonds, generally includes multi-family and single-family bonds, industrial development bonds, student loan bonds, and exempt facilities bonds for solid waste disposal. The Tax Reform Act of 1986, in addition to further limiting the purposes for which federally tax-exempt "private activity" bonds may be issued, reduces the dollar volume limit of such bonds to approximately \$1.6 billion (\$50 per capita) for California after 1987. The Community Renewal Tax Relief Act of 2000 increased the per capita dollar amount to \$75 per capita in 2002, resulting in an approximate \$2.7 billion annual state ceiling for 2003.

For the list of standard (lettered) footnotes, see the end of the Governor's Budget.

* Dollars in thousands, except in Salary Range.

0959 CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE—Continued

The Committee oversees the State's allocation system for the issuance of "private activity" bonds under the provisions of Chapter 943, Statutes of 1987. The Committee is comprised of the State Treasurer, as chairperson; the Governor or, upon his designation, the Director of Finance; and the State Controller.

The Committee is funded on a fee-supported basis.

Major Budget Adjustment Proposed for 2002–03

- An increase of \$12,000 for administrative costs.

Major Budget Adjustment Proposed for 2003–04

- An increase of \$47,000 for administrative costs.

Authority

Government Code Section 8869.80 et seq.

**SUMMARY OF PROGRAM
REQUIREMENTS**

	01–02	02–03	03–04	2001–02*	2002–03*	2003–04*
10 California Debt Limit Allocation Committee (California Debt Limit Allocation Committee Fund).....	8.1	9.0	9.0	\$859	\$1,016	\$1,055

**SUMMARY BY OBJECT
1 STATE OPERATIONS**

	01–02	02–03	03–04	2001–02*	2002–03*	2003–04*
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A).....	8.1	9.0	9.0	\$423	\$467	\$470
Net Totals, Salaries and Wages	8.1	9.0	9.0	\$423	\$467	\$470
Staff Benefits	–	–	–	84	109	111
Totals, Personal Services	8.1	9.0	9.0	\$507	\$576	\$581
OPERATING EXPENSES AND EQUIPMENT				\$352	\$440	\$474
TOTALS, EXPENDITURES				\$859	\$1,016	\$1,055

RECONCILIATION WITH APPROPRIATIONS**1 STATE OPERATIONS****0169 California Debt Limit Allocation Committee Fund**

	2001–02*	2002–03*	2003–04*
APPROPRIATIONS			
001 Budget Act appropriation	\$875	\$984	\$1,055
Allocation for employee compensation	1	5	–
Adjustment per Section 3.60	14	15	–
Adjustment per Section 4.60	3	–	–
Adjustment per Section 4.00	–2	–	–
Allocation for Americans with Disabilities Act (ADA) Barrier Removal	4	–	–
Revised expenditure authority per Provision 1	–	12	–
011 Budget Act appropriation (Loan to the General Fund).....	–	(2,000)	–
Totals Available	\$895	\$1,016	\$1,055
Unexpended balance, estimated savings	–36	–	–
TOTALS, EXPENDITURES	\$859	\$1,016	\$1,055
TOTALS, EXPENDITURES, ALL FUNDS (State Operations).....	\$859	\$1,016	\$1,055

FUND CONDITION STATEMENT**0169 California Debt Limit Allocation Committee Fund ***

	2001–02*	2002–03*	2003–04*
BEGINNING BALANCE.....	\$3,448	\$3,543	\$1,548
Prior year adjustments	8	–	–
Balance, Adjusted.....	\$3,456	\$3,543	\$1,548

* Dollars in thousands, except in Salary Range.

0959 CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE—Continued**REVENUES AND TRANSFERS**

Revenues:	2001-02*	2002-03*	2003-04*
125600 Other regulatory fees.....	\$828	\$915	\$924
150300 Income from surplus money investments	118	106	51
Totals, Revenues	\$946	\$1,021	\$975
Transfers to Other Funds:			
T00001 General Fund loan per Item 0959-011-0169, Budget Act of 2002.....	—	–2,000 ¹	—
Totals, Revenues and Transfers.....	\$946	–\$979	\$975
Totals, Resources	\$4,402	\$2,564	\$2,523

EXPENDITURES

Disbursements:			
0959 California Debt Limit Allocation Committee (State Operations).....	859	1,016	1,055
FUND BALANCE.....	\$3,543	\$1,548	\$1,468
Reserve for economic uncertainties	3,543	1,548	1,468

¹ This loan is one of the proposed solutions to the General Fund shortfall. It is not intended to adversely affect the programs supported by this fund.

**0965 CALIFORNIA INDUSTRIAL DEVELOPMENT
FINANCING ADVISORY COMMISSION**

The California Industrial Development Financing Advisory Commission (CIDFAC) was created by Chapter 1358, Statutes of 1980. The State Treasurer serves as chairperson of the Commission. The other members are the Director of Finance, the State Controller, the Secretary of the Technology, Trade and Commerce Agency, and the Commissioner of Corporations.

Chapter 1358 allows cities and counties to issue industrial development revenue bonds. Bonds issued under this program are not a debt, liability or a pledge of the faith and credit nor the taxing power of the State of California. The Bonds are subject to the State's "private activity" bond ceiling, as specified in the Federal Tax Reform Act of 1986, and allocated by the California Debt Limit Allocation Committee.

The program is intended to benefit economically distressed areas within the State. The proceeds of the bonds provide industry with an alternative method of financing capital outlay to acquire, construct or rehabilitate facilities which will increase employment or otherwise contribute to economic development.

Expenses of local industrial development authorities are funded by fees collected from applicants for financing under the program. Direct expenses of the Commission and those of the Office of the State Treasurer are also funded by fees collected from applicants and from bond proceeds.

Chapter 1605, Statutes of 1982, as amended by Chapter 1109, Statutes of 1987, provides that the aggregate amount of bonds issued shall not exceed \$350 million per calendar year for federally tax-exempt issues and a like amount for federally taxable issues.

Chapter 913, Statutes of 1994, provides financing incentives under the State Enterprise Zone Act.

Chapter 1035, Statutes of 1998, extended the authority for the Commission to issue tax-exempt Industrial Development Bonds until January 1, 2004.

Major Budget Adjustment for 2002-03

- An increase of \$11,000 for administrative costs.

Major Budget Adjustment for 2003-04

- An increase of \$44,000 for administrative costs.

Authority

Government Code Sections 91500 to 91564, Financial Code Section 1364, Insurance Code Section 1192.

SUMMARY OF PROGRAM

REQUIREMENTS	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
10 California Industrial Development						
Financing Advisory Commission ..	3.1	3.0	3.0	\$417	\$495	\$521
0215 Industrial Development Fund				342	420	446
0995 Reimbursements				75	75	75

**SUMMARY BY OBJECT
1 STATE OPERATIONS**

PERSONAL SERVICES	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
Authorized Positions (Equals Sch. 7A)	3.1	3.0	3.0	\$229	\$235	\$237
Net Totals, Salaries and Wages	3.1	3.0	3.0	\$229	\$235	\$237

For the list of standard (lettered) footnotes, see the end of the Governor's Budget.

* Dollars in thousands, except in Salary Range.

**0965 CALIFORNIA INDUSTRIAL DEVELOPMENT
FINANCING ADVISORY COMMISSION—Continued**

	<i>01-02</i>	<i>02-03</i>	<i>03-04</i>	<i>2001-02*</i>	<i>2002-03*</i>	<i>2003-04*</i>
Staff Benefits	—	—	—	\$40	\$45	\$46
Totals, Personal Services	3.1	3.0	3.0	\$269	\$280	\$283
OPERATING EXPENSES AND EQUIPMENT				\$148	\$215	\$238
TOTALS, EXPENDITURES				\$417	\$495	\$521

RECONCILIATION WITH APPROPRIATIONS

1 STATE OPERATIONS

0215 Industrial Development Fund

	<i>2001-02*</i>	<i>2002-03*</i>	<i>2003-04*</i>
APPROPRIATIONS			
001 Budget Act appropriation	\$393	\$400	\$446
Allocation for employee compensation	1	2	—
Adjustment per Section 3.60	6	7	—
Adjustment per Section 4.60	3	—	—
Adjustment per Section 4.00	-2	—	—
Allocation for Americans with Disabilities Act (ADA) Barrier Removal	5	—	—
Increased expenditure authority per Provision 1	—	11	—
Totals Available	\$406	\$420	\$446
Unexpended balance, estimated savings	-64	—	—
TOTALS, EXPENDITURES	\$342	\$420	\$446

0297 Community and Economic Development Fund

APPROPRIATIONS			
001 Budget Act appropriation	\$69	—	—
Adjustment per Section 4.00	—	—	—
Totals Available	\$69	—	—
Unexpended balance, estimated savings	-69	—	—
TOTALS, EXPENDITURES	—	—	—

0995 Reimbursements

APPROPRIATIONS			
Reimbursements	\$75	\$75	\$75
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$417	\$495	\$521

FUND CONDITION STATEMENT

0215 Industrial Development Fund ^s

	<i>2001-02*</i>	<i>2002-03*</i>	<i>2003-04*</i>
BEGINNING BALANCE	\$850	\$617	\$387
Prior year adjustments	-1	—	—
Balance, Adjusted	\$849	\$617	\$387
REVENUES AND TRANSFERS			
Revenues:			
125600 Other regulatory fees (application fees)	83	141	163
150300 Income from surplus money investments	27	49	56
Totals, Revenues	\$110	\$190	\$219
Totals, Resources	\$959	\$807	\$606
EXPENDITURES			
Disbursements:			
0965 California Industrial Development Financing Advisory Commission (State Operations)	342	420	446
FUND BALANCE	\$617	\$387	\$160
Reserve for economic uncertainties	617	387	160

* Dollars in thousands, except in Salary Range.

0968 CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Chapter 1097, Statutes of 1981, established the California Mortgage Bond Allocation Committee for the purpose of approving mortgage revenue bond allocations. In response to the 1986 Federal Tax Reform Act, the Committee was authorized by Chapter 688, Statutes of 1987, to allocate federal Low-Income Housing Tax Credits (LIHTC) to foster development of affordable rental housing. For calendar year 2002, the program provides tax credits of \$1.75 per capita; beginning January 1, 2002, and thereafter this amount will be indexed for inflation. Chapter 943, Statutes of 1987, transferred authorization for approving mortgage revenue bond allocations to the California Debt Limit Allocation Committee. Chapter 1138, Statutes of 1987, established a state tax credit program, similar to the LIHTC, making available up to \$35 million per year. Chapter 9, Statutes of 1998, increased the state tax credit ceiling for building low-income rental housing from \$35 million to \$50 million per year for calendar years 1998 and 1999. Chapter 3, Statutes of 2000, made permanent the increase in state tax credit ceiling as provided in Chapter 9. As of December 31, 2001, a total of \$687,160,099 federal credit, and \$585,941,827 of state credit, has been allocated.

Chapter 166, Statutes of 1990, renamed the California Mortgage Bond Allocation Committee to the "California Tax Credit Allocation Committee" (CTCAC). The CTCAC consists of seven members, including the Treasurer who is designated as chairman, the Governor or Director of Finance, the State Controller, the Director of the Department of Housing and Community Development, the Executive Director of the California Housing Finance Agency, and two local government representatives.

Chapter 1164, Statutes of 1994, established the Occupancy Compliance Monitoring Account. One-time monitoring fees are collected and deposited into this account for the purpose of paying the costs of monitoring projects receiving allocations of tax credits for compliance with federal and state laws for a 55-year compliance period. The fees and interest earnings will be used to fund the compliance activities during the 55-year period. This monitoring program applies to all projects awarded credits since 1987 including some 1,823 projects (135,087 units) as of December 31, 2001.

Chapter 954, Statutes of 1996, established the Farmworker Housing Assistance Program making available up to \$500,000 per year of state tax credits for construction of farmworker housing. As of December 31, 2001, a total of \$770,000 in tax credit has been awarded under the Farmworker Housing Assistance Program.

Chapter 1086, Statutes of 2002 (SB 2010), establishes the Community Revitalization Fee Fund, and designates the CTCAC as California's Commercial Revitalization Agency in order to allocate \$60 million annually in federal commercial revitalization tax deductions for projects of new construction or that redevelop abandoned and underutilized buildings in select renewal communities. The five renewal communities in California are Los Angeles, Orange Cove (Fresno County), Parlier (Fresno County), San Diego, and San Francisco.

The CTCAC's activities are funded from fees paid by applicants for tax credits and tax deductions.

Major Budget Adjustments Proposed for 2002-03

- A reduction of three vacant positions and \$139,505 per Control Section 31.60 (\$107,148 personal services, \$27,000 staff benefits, and \$5,357 operating expenses and equipment).
- An increase of \$56,000 for administrative costs.
- An increase of \$202,000 and three positions (2.3 personnel years) to implement the Community Revitalization Program as authorized by Chapter 1086, Statutes of 2002 (SB 2010).

Major Budget Adjustments Proposed for 2003-04

- A reduction of three vacant positions and \$139,505 per Control Section 31.60 of the 2002 Budget Act (\$107,148 personal services, \$27,000 staff benefits, and \$5,357 operating expenses and equipment).
- An increase of \$223,000 for administrative costs.
- An increase of \$226,000 and three positions (3.0 personnel years) to implement the Community Revitalization Program as authorized by Chapter 1086, Statutes of 2002 (SB 2010).

Authority

Chapter 1097, Statutes of 1981; Chapters 688, 943, and 1138, Statutes of 1987; Chapter 166, Statutes of 1990; Chapter 1164, Statutes of 1994; Chapter 954, Statutes of 1996; Chapter 9, Statutes of 1998, Chapter 3, Statutes of 2000, and Chapter 1086, Statutes of 2002.

SUMMARY OF PROGRAM

REQUIREMENTS	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
10 California Tax Credit Allocation Committee	19.5	21.1	21.1	\$2,704	\$2,447	\$2,559
20 Community Revitalization Program	—	3.0	3.0	—	202	226
TOTALS, PROGRAMS.....	19.5	24.1	24.1	\$2,704	\$2,649	\$2,785
0448 Occupancy Compliance Monitoring Account, Tax Credit Allocation Fee Account				1,039	993	1,019
0457 Tax Credit Allocation Fee Account				1,602	1,424	1,510
0995 Reimbursements				63	30	30
3038 Community Revitalization Fee Fund				—	202	226

SUMMARY BY OBJECT

1 STATE OPERATIONS	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A)	19.5	24.1	24.1	\$962	\$1,180	\$1,221
Total Adjustments	—	—	—	—	-10	23
Net Totals, Salaries and Wages	19.5	24.1	24.1	\$962	\$1,170	\$1,244

For the list of standard (lettered) footnotes, see the end of the Governor's Budget.

* Dollars in thousands, except in Salary Range.

0968 CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE—Continued

	<i>01-02</i>	<i>02-03</i>	<i>03-04</i>	<i>2001-02*</i>	<i>2002-03*</i>	<i>2003-04*</i>
Staff Benefits	—	—	—	\$202	\$246	\$238
Totals, Personal Services	19.5	24.1	24.1	\$1,164	\$1,416	\$1,482
OPERATING EXPENSES AND EQUIPMENT				\$1,201	\$1,091	\$1,161
SPECIAL ITEMS OF EXPENSE				—	6	6
TOTALS, EXPENDITURES				\$2,365	\$2,513	\$2,649

RECONCILIATION WITH APPROPRIATIONS**1 STATE OPERATIONS****0448 Occupancy Compliance Monitoring Account, Tax Credit Allocation Fee Account**

	<i>2001-02*</i>	<i>2002-03*</i>	<i>2003-04*</i>
APPROPRIATIONS			
001 Budget Act appropriation	\$1,039	\$994	\$1,019
Allocation for employee compensation	2	8	—
Adjustment per Section 3.60	13	12	—
Adjustment per Section 4.60	2	—	—
Adjustment per Section 4.00	-1	—	—
Allocation for Americans with Disabilities Act (ADA) Barrier Removal	5	—	—
Adjustment per Section 31.60	—	-41	—
Revised expenditure authority per Provision 1	—	20	—
011 Budget Act appropriation (Transfer to the General Fund)	—	(35,000)	—
Totals Available	\$1,060	\$993	\$1,019
Unexpended balance, estimated savings	-21	—	—
TOTALS, EXPENDITURES	\$1,039	\$993	\$1,019

0457 Tax Credit Allocation Fee Account

APPROPRIATIONS			
001 Budget Act appropriation	\$1,434	\$1,315	\$1,368
Allocation for employee compensation	2	8	—
Adjustment per Section 3.60	25	22	—
Adjustment per Section 4.60	6	—	—
Adjustment per Section 4.00	-1	—	—
Allocation for Americans with Disabilities Act (ADA) Barrier Removal	8	—	—
Adjustment per Section 31.60	—	-99	—
Revised expenditure authority per Provision 1	—	36	—
011 Budget Act appropriation (Transfer to the General Fund)	—	(27,000)	(3,000)
Health and Safety Code Section 50199.9(b)	—	6	6
Totals Available	\$1,474	\$1,288	\$1,374
Unexpended balance, estimated savings	-211	—	—
TOTALS, EXPENDITURES	\$1,263	\$1,288	\$1,374

0995 Reimbursements

APPROPRIATIONS			
Reimbursements	\$63	\$30	\$30

3038 Community Revitalization Fee Fund

APPROPRIATIONS			
001 Budget Act appropriation	—	—	\$226
Chapter 1086, Statutes of 2002	—	—	—
Allocation for contingencies or emergencies	—	\$202	—
TOTALS, EXPENDITURES	—	\$202	\$226
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$2,365	\$2,513	\$2,649

* Dollars in thousands, except in Salary Range.

0968 CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE—Continued**RECONCILIATION WITH APPROPRIATIONS****2 LOCAL ASSISTANCE****0457 Tax Credit Allocation Fee Account**

	2001-02*	2002-03*	2003-04*
APPROPRIATIONS			
Health and Safety Code Section 50199.9(b)	\$339	\$136	\$136
TOTALS, EXPENDITURES	\$339	\$136	\$136
TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)	\$339	\$136	\$136
TOTALS, EXPENDITURES, ALL FUNDS (State Operations and Local Assistance)	\$2,704	\$2,649	\$2,785

FUND CONDITION STATEMENT**0448 Occupancy Compliance Monitoring Account,
Tax Credit Allocation Fee Account ^s**

	2001-02*	2002-03*	2003-04*
BEGINNING BALANCE.....	\$24,043	\$29,199	\$708
Prior year adjustments	—	—	—
Adjusted Beginning Balance.....	\$24,043	\$29,199	\$708
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:			
125600 Other Regulatory Fees	5,631	4,000	5,200
150300 Income From Surplus Money Investments	565	500	500
161000 Escheat of Unclaimed Checks & Warrants	1	1	1
Transfers and Other Adjustments:			
T00001 To General Fund loan per Item 0968-011-0448, Budget Act of 2002.....	—	—32,000	—
Total Revenues, Transfers, and Other Adjustments.....	\$6,197	—\$27,499	\$5,701
Total Resources	\$30,240	\$1,700	\$6,409
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
0968 California Tax Credit Allocation Committee (State Operations)	1,041 ¹	992	1,019
Total Expenditures and Expenditure Adjustments	\$1,041	\$992	\$1,019
FUND BALANCE.....	\$29,199	\$708	\$5,390
Reserve for economic uncertainties	29,199	708	5,390

¹ May not tie to Reconciliation with Appropriation due to rounding.**0457 Tax Credit Allocation Fee Account ^s**

BEGINNING BALANCE.....	\$22,282	\$24,941	\$1,482
Prior year adjustments	62	—	—
Adjusted Beginning Balance.....	\$22,344	\$24,941	\$1,482
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:			
125600 Other Regulatory Fees	3,648	4,470	4,500
150300 Income From Surplus Money Investments	548	500	500
161000 Escheat of Unclaimed Checks & Warrants	3	3	3
Transfers and Other Adjustments:			
T00001 To General Fund loan per pending legislation	—	—	—3,000 ¹
T00001 To General Fund loan per Item 0968-011-0457, Budget Act of 2002.....	—	—27,000	—
Total Revenues, Transfers, and Other Adjustments.....	\$4,199	—\$22,027	\$2,003
Total Resources	\$26,543	\$2,914	\$3,485

* Dollars in thousands, except in Salary Range.

0968 CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE—Continued**EXPENDITURES AND EXPENDITURE ADJUSTMENTS**

Expenditures:			
0968 California Tax Credit Allocation Committee	2001-02*	2002-03*	2003-04*
State Operations	\$1,263	\$1,288	\$1,374
Local Assistance	339	136	136
9900 Statewide General Administrative Expenditures (Pro Rata) (Local Assistance).....	—	8	—
Total Expenditures and Expenditure Adjustments	\$1,602	\$1,432	\$1,510
FUND BALANCE.....	\$24,941	\$1,482	\$1,975
Reserve for economic uncertainties	24,941	1,482	1,975

¹ This loan is one of the proposed solutions to the General Fund shortfall. It is not intended to adversely affect the programs supported by this fund.

3038 Community Revitalization Fee Fund^s

BEGINNING BALANCE.....	—	—	\$300
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:			
125600 Other Regulatory Fees	—	\$300	300
Transfers and Other Adjustments:			
F00001 From General Fund loan per Item 9840-011-0001, Budget Act of 2002	—	202	—
Total Revenues, Transfers, and Other Adjustments.....	—	\$502	\$300
Total Resources	—	\$502	\$600
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
0968 California Tax Credit Allocation Committee (State Operations)	—	202	226
Total Expenditures and Expenditure Adjustments	—	\$202	\$226
FUND BALANCE.....	—	\$300	\$374
Reserve for economic uncertainties	—	300	374

**CHANGES IN
AUTHORIZED POSITIONS**

	01-02	02-03	03-04	2001-02*	2002-03*	2003-04*
Totals, Authorized Positions	19.5	24.1	24.1	\$962	\$1,180	\$1,221
Adjustment per Control Section 31.60:				Salary Range		
Assoc Govtl Prog Analyst.....	—	-1.0	-1.0	3,915-4,759	-47	-47
Staff Svcs Analyst	—	-2.0	-2.0	2,507-3,957	-60	-60
Totals	—	-3.0	-3.0	—	-\$107	-\$107
Proposed New Positions (Community Revitalization Program):						
Assoc Govtl Prog Analyst.....	—	1.0	1.0	3,915-4,759	39	52
Staff Svcs Analyst	—	2.0	2.0	2,507-2,957	58	78
Totals, Proposed New Positions	—	3.0	3.0	—	\$97	\$130
Total Adjustments.....	—	0.0	0.0	—	-\$10	\$23
TOTALS, SALARIES AND WAGES	19.5	24.1	24.1	\$962	\$1,170	\$1,244

**0971 CALIFORNIA ALTERNATIVE ENERGY AND
ADVANCED TRANSPORTATION FINANCING AUTHORITY**

The California Alternative Energy Source Financing Authority was established by Chapter 908, Statutes of 1980, for the purpose of providing California industry an alternative method of financing the construction and installation of facilities using alternative methods and sources of energy. Such construction can help meet the energy needs of the State in a manner which minimizes degradation of the environment and conserves scarce energy resources.

Chapter 1218, Statutes of 1994, renamed the Authority to the California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA) and thereby expanded the purpose of the Authority to include the financing and development of advanced transportation technologies.

For the list of standard (lettered) footnotes, see the end of the Governor's Budget.

* Dollars in thousands, except in Salary Range.

**0971 CALIFORNIA ALTERNATIVE ENERGY AND
ADVANCED TRANSPORTATION FINANCING AUTHORITY—Continued**

The Authority consists of five members: the State Treasurer (Chairperson); the State Controller; the Director of Finance; the Chairperson of the Energy Resources Conservation and Development Commission; and the President of the Public Utilities Commission.

The Authority is empowered to establish criteria for projects selected for financing, issue revenue bonds, enter into loan agreements for the sale, construction, installation, or acquisition of projects, and assist small business entities in locating a funding source for projects not financed by the Authority.

With the exception of the projects specified in the transition rules of the Federal Tax Reform Act of 1986, projects over \$10 million generally are no longer eligible for financing with federally tax-exempt bonds; however, such projects could be financed by bonds which are exempt from state taxation. Other federally tax-exempt bonds of the Authority, in general, are subject to the State's "private activity" bond ceiling as specified in the Tax Reform Act and allocated by the California Debt Limit Allocation Committee.

The Authority is authorized to issue up to \$350 million in revenue bonds to finance alternative energy projects pursuant to Chapter 328, Statutes of 1994. As of June 30, 2001, \$181.6 million in bonds had been sold, and \$59.2 million remain outstanding. Pursuant to Chapter 8, Statutes of 2001 (AB 29X), the Authority received \$25 million in General Fund to develop a financial assistance program for renewable energy technologies. Pursuant to Chapter 1, Statutes of 2002, Third Extraordinary Session, \$24.85 million was reverted to the General Fund.

Major Budget Adjustment Proposed for 2002–03

- An increase of \$1,000 for administrative costs.

Major Budget Adjustment Proposed for 2003–04

- An increase of \$3,000 for administrative costs.

Authority

Public Resources Code Sections 26004–26017.

SUMMARY OF PROGRAM

REQUIREMENTS	01–02	02–03	03–04	2001–02*	2002–03*	2003–04*
10 Alternative Energy and Advanced Transportation Financing Authority	1.5	1.0	1.0	\$154	\$174	\$177
0001 General Fund				150	–	–
0528 California Alternative Energy Authority Fund				4	174	177

**SUMMARY BY OBJECT
1 STATE OPERATIONS**

PERSONAL SERVICES	01–02	02–03	03–04	2001–02*	2002–03*	2003–04*
Authorized Positions (Equals Sch. 7A)	1.5	1.0	1.0	\$98	\$81	\$81
Staff Benefits	–	–	–	21	27	27
Totals, Personal Services	1.5	1.0	1.0	\$119	\$108	\$108
OPERATING EXPENSES AND EQUIPMENT				\$35	\$66	\$69
TOTALS, EXPENDITURES				\$154	\$174	\$177

RECONCILIATION WITH APPROPRIATIONS

1 STATE OPERATIONS

0001 General Fund

APPROPRIATIONS	2001–02*	2002–03*	2003–04*
Prior year balances available:			
Chapter 8, Statutes of 2001, First Extraordinary Session (Transfer from Local Assistance)	\$150	\$1	\$1
Allocation for employee compensation	1	–	–
Totals Available	\$151	\$1	\$1
Unexpended balance, estimated savings	–	–	–1
Balance available in subsequent years	–1	–1	–
TOTALS, EXPENDITURES	\$150	–	–

* Dollars in thousands, except in Salary Range.

**0971 CALIFORNIA ALTERNATIVE ENERGY AND
ADVANCED TRANSPORTATION FINANCING AUTHORITY—Continued**

0528 California Alternative Energy Authority Fund

	2001-02*	2002-03*	2003-04*
APPROPRIATIONS			
001 Budget Act appropriation	\$165	\$169	\$177
Allocation for employee compensation	—	1	—
Adjustment per Section 3.60	5	3	—
Adjustment per Section 4.00	-1	—	—
Revised expenditure authority per Provision 1	—	1	—
Totals Available	\$169	\$174	\$177
Unexpended balance, estimated savings	-165	—	—
TOTALS, EXPENDITURES	\$4	\$174	\$177
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$154	\$174	\$177

RECONCILIATION WITH APPROPRIATIONS

2 LOCAL ASSISTANCE

0001 General Fund

	2001-02*	2002-03*	2003-04*
APPROPRIATIONS			
Prior year balances available:			
Chapter 8, Statutes of 2001, First Extraordinary Session	\$25,000	—	—
Adjustment per Chapter 1, Statutes of 2002, Third Extraordinary Session	-24,850	—	—
Transfer to State Operations	-150	—	—
TOTALS, EXPENDITURES	—	—	—
TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)	—	—	—
TOTALS, EXPENDITURES, ALL FUNDS (State Operations and Local Assistance)	\$154	\$174	\$177

0974 CALIFORNIA POLLUTION CONTROL FINANCING AUTHORITY

The California Pollution Control Financing Authority (CPCFA) was established by Chapter 1257, Statutes of 1972, to provide California businesses with a reasonable method of financing pollution control facilities and to foster compliance with government imposed environmental standards and requirements. The CPCFA consists of the State Treasurer (Chairperson), the State Controller, and the Director of Finance.

Industrial firms and agricultural producers receive funds from the sale of CPCFA revenue bonds for the acquisition, construction, or installation of pollution control facilities to meet environmental requirements mandated by public agencies. Companies that have received assistance through the program include food processors, cooperatives, manufacturers, waste disposal and resource recovery firms, metal platers, public utilities, refiners and marketers. As of June 30, 2002, bonds totaling \$10.321 billion have been sold by the CPCFA for pollution control projects. Projects ranging from \$10,000 to approximately \$500 million have been financed through the CPCFA.

Chapter 342, Statutes of 1985, authorized the CPCFA to establish a Small Business Assistance Fund. Small businesses usually do not have access to financial markets in the same way that larger businesses do. The Small Business Assistance Tax-Exempt Bond Program gives small businesses "access" to the financial markets by issuing bonds on behalf of the borrower and provides other financial and technical assistance to applicants. As of June 30, 2002, bonds totaling \$582.769 million have been issued by the CPCFA for small business projects. The CPCFA also administers the California Capital Access Program (CalCAP). CalCAP encourages banks and other financial institutions to make loans to small businesses that fall just outside of most banks' conventional underwriting standards. From its inception in 1994 through June 30, 2002, CalCAP has enabled \$465 million in loans to small businesses.

The Federal Reform Act of 1986 constrained the ability of the CPCFA to issue tax-exempt bonds for private uses (e.g., air and water pollution control projects). In addition, the federal tax legislation imposed a ceiling on the total amount of tax exempt bonds that can be sold in each state. Thus, the CPCFA's projects must now compete with those from other California authorities and financing agencies for debt allocation. This limitation has resulted in some of the CPCFA's projects being only partially funded by tax exempt bonds and taxable bonds.

Recently, the CPCFA's bond sales have been (1) for refinancing previous bond issues and (2) for the financing of resource recovery projects and solid waste disposal projects required by the California Integrated Waste Management Act of 1989. This Act (Chapter 1095, Statutes of 1989) mandated cities and counties to divert 25-percent of solid waste from landfills through source reduction, recycling, and composting by January 1, 1995. A 50-percent diversion was mandated by January 1, 2000. Integrated Waste Management programs continue to be a large component of the CPCFA's workload until the requirements of the California Integrated Waste Management Act of 1989 are met.

Chapter 914, Statutes of 2000, authorized CPCFA to award up to \$2.5 million in grants and loans to assist economically struggling communities. Cities and counties may use the funds to develop and implement sustainable development and sound environmental policies and programs. The program will sunset on January 1, 2007. Chapter 1034, Statutes of 2002 (SB 199), authorizes the allocation of an additional \$2.5 million for grants and loans.

In addition, Chapter 915, Statutes of 2000, authorized CPCFA to provide financing assistance for remediation and development of brownfield sites. Initial program efforts will focus on providing technical assistance and financing assessment costs through forgivable loans.

Authority

Health and Safety Code Sections 44500-44520 and 44526-44548.

For the list of standard (lettered) footnotes, see the end of the Governor's Budget.

* Dollars in thousands, except in Salary Range.

0977 CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY

The California Health Facilities Financing Authority (CHFFA) was established by Chapter 1033, Statutes of 1979. The CHFFA consists of nine members: the State Treasurer, the Director of Finance, the State Controller, two public members appointed by the Senate, two public members appointed by the Assembly, and two public members appointed by the Governor.

The CHFFA issues revenue bonds to assist qualified private nonprofit corporations or associations, counties, and hospital districts in financing or refinancing the construction, equipping or acquiring of health facilities. The funding or refinancing is accomplished by making loans to health institutions, by direct purchase and leaseback of the health facility by the CHFFA, or by a health institution acting as an agent for the CHFFA. The CHFFA can determine the location and character of any proposed project and can solicit state and federal mortgage insurance for any funded project. To qualify for funding under the Act, the project must be a health facility, as defined in the Act, operated by a private nonprofit corporation or association, city, city and county, county or hospital district. Numerous statutes enacted between 1983 and 1989 broadened the types of facilities that may be financed by the CHFFA.

Prior to September 30, 1998, the CHFFA was authorized to have outstanding at any one point in time up to \$5.999 billion in revenue bonds. Pursuant to Chapter 1035, Statutes of 1998, there is no longer a limitation on bonds outstanding.

The Federal Tax Reform Act of 1986 does not restrict health facility bonds in terms of the State's "private activity" bond limit. Bonds issued under this program are not a debt or liability or a pledge of faith and credit of the taxing power of the State or any of its political subdivisions. The full faith and credit of the participating institutions are pledged to the payment of bonds. This is a trust activity and all operating expenses must be paid from revenues and other moneys available to the CHFFA.

Chapter 99, Statutes of 2000, established the Cedillo-Alarcon Community Care Investment Act of 2000, which authorized CHFFA to award grants to eligible primary care clinics for capital outlay projects. The Budget Act of 2000 included a one-time \$50 million General Fund augmentation for transfer to the CHFFA Fund to award grants in amounts not to exceed \$250 thousand to any clinic facility. CHFFA developed through regulations, selection criteria and a process for awarding the grants. All funds have been allocated and approximately \$40 million in grants have been disbursed. CHFFA anticipates the disbursement of all remaining funds during 2002–03. The Authority will report to the Joint Legislative Budget Committee on the recipients of grants upon disbursement of all grant funds.

Chapter 478, Statutes of 2002 (AB 2352), extends CHFFA's ability to provide grants for capital projects not only to community clinics, but to all health facilities currently eligible under CHFFA's statute. The legislation also allows CHFFA to use its fund balance to make grants to small eligible health facilities.

Authority

Government Code Sections 15430–15463.

0983 CALIFORNIA URBAN WATERFRONT AREA RESTORATION FINANCING AUTHORITY

The California Urban Waterfront Area Restoration Financing Authority (CUWARFA) was created by Chapter 1264, Statutes of 1983. It consists of five members: the State Treasurer (Chairperson), the Director of Finance, the State Controller, the Secretary for Resources, and the Executive Officer of the State Coastal Conservancy.

The Authority was established to issue up to \$650 million in revenue bonds to make loans or acquire title to property and to underwrite or undertake directly a variety of urban waterfront development projects within the coastal zone, the Sacramento-Yolo Port District, the Stockton Port District, and those metropolitan statistical areas meeting specified conditions. The Federal Tax Reform Act of 1986 requires that bonds authorized by CUWARFA generally be within an allocation from the State's "private activity" bond limit in order for the bonds to be federally tax-exempt, unless the issuer qualifies as a private, nonprofit business.

Financing is available for both publicly and privately sponsored projects that provide visitor-serving facilities, waterfront-dependent industries, public recreation, and erosion control facilities. The State Coastal Conservancy must approve both the specific project and a master plan for urban waterfront restoration before any project can obtain CUWARFA approval for revenue bond financing. To date, the Authority has sold \$3.33 million in revenue bonds for the Santa Monica International American Youth Hostel.

Authority

Public Resources Code Sections 32000–32003.

0985 CALIFORNIA SCHOOL FINANCE AUTHORITY

Chapter 1438, Statutes of 1985, as amended by Chapter 598, Statutes of 1987, established the California School Finance Authority and authorized the issuance of \$400 million in revenue bonds or other debt instruments. The proceeds from the sale of the bonds are available for loans to school and community college districts to assist with the acquisition of equipment and new school sites, construction of new facilities, reconstruction of existing facilities, capital improvements, acquisition of portable/relocatable buildings, and to provide working capital. The proceeds of loan repayments provide the resources necessary for payment of bond debt service. All expenditures of the Authority for debt service and other expenses must be paid from the revenues available to the Authority. Effective January 1, 1997, Chapter 1071, Statutes of 1996, authorized the issuance of an additional \$400 million in revenue bonds per fiscal year for school districts and county offices of education that agree to guarantee payment of the bonds with Proposition 98 funds. The total outstanding amount may not exceed \$4 billion at any one time. Pursuant to Chapter 741, Statutes of 1998, effective January 1, 1999, the \$400 million annual issuance cap was eliminated.

0985 CALIFORNIA SCHOOL FINANCE AUTHORITY—Continued

Pursuant to Chapter 718, Statutes of 1999, as amended by Chapter 193, Statutes of 2000 (effective January 1, 2001), the Authority was authorized to provide interim financing to school districts in anticipation of receiving Proposition 1A bond funding from the State Allocation Board. The Authority issued \$47.8 million in interim financing to school districts that would otherwise have waited until the second phase of Proposition 1A bond funds, which became available in July 2000. As of July 1, 2002, all interim financing bonds were liquidated.

Chapter 935, Statutes of 2002 (AB 14), establishes the Charter Schools Facilities Program, and outlines the process by which charter schools may apply for State education bond funds to finance the construction of a new charter school facility. Under AB 14, CSFA and the State Allocation Board are required to coordinate the development and implementation of the provisions of the bill including application review, project selection and banking functions.

Authority

Education Code Sections 17170–17199.5.

0989 CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY

The California Educational Facilities Authority (CEFA) is a public instrumentality of the State comprised of five members: the Director of Finance, the State Controller, the State Treasurer, and two public members appointed by the Governor. All members serve four-year terms.

The Authority issues revenue bonds to assist private educational institutions of higher learning in the expansion and construction of nonsectarian educational facilities. Facilities used for sectarian instruction or as a place of religious worship are not eligible for financing from the Authority. Pursuant to Chapter 569, Statutes of 2001, CEFA may include qualifying non-profit entities as eligible program participants for the construction of student and faculty housing. Through its ability to issue tax-exempt bonds, the Authority provides lower cost financing to these institutions than they would be able to secure on the open market. Bonds issued by the Authority are not a debt or liability or a pledge of the faith and credit of the taxing power of the State or any of its political subdivisions. Instead, the full faith and credit of the participating institutions are pledged to the payment of bonds issued by the Authority. Bonds issued for this purpose are not subject to the State's "private activity" bond ceiling as specified in the Federal Tax Reform Act of 1986. The bonds are issued for institutions on a stand-alone basis and also on a pooled or combined basis.

Prior to January 1, 1999, the Authority was authorized to have outstanding at any one time \$2.6 billion in bonds for educational facilities. Pursuant to Chapter 741, Statutes of 1998, effective January 1, 1999, there is no limitation in bonds outstanding. As of June 30, 2002, bonds and notes in the amount of \$5.044 billion have been issued and \$2.636 billion were outstanding.

Chapter 1081, Statutes of 2002 (SB 1624), clarifies the authorization for financing faculty housing for colleges and universities, and authorizes the use of up to \$2 million of CEFA funds, on a one-time basis for grants, not to exceed \$250,000 each, to help private colleges expand educational opportunities to low income students. The grant program will sunset January 1, 2009.

Pursuant to Chapter 917, Statutes of 1995, effective January 1, 1996, the California Student Loan Authority (CSLA) was abolished, and the assets, obligations, and functions were transferred to the CEFA.

The purpose of the CSLA was to purchase federally reinsured educational loans from eligible lending institutions by issuing tax-exempt revenue bonds, thereby expanding student access to such low-cost federally reinsured loans. Pursuant to Chapter 917, the functions were expanded under CEFA to include direct student lending from proceeds of tax-exempt revenue bonds issued by the Authority. Pursuant to Chapter 741, Statutes of 1998, there is no limit on bonds outstanding for student loans. As of June 30, 2002, \$95.26 million in bonds were outstanding, from a total \$265.373 million issued. Bonds for this purpose are subject to the State's "private activity" bond ceiling, as specified in the Federal Tax Reform Act of 1986 and allocated by the California Debt Limit Allocation Committee. Bonds issued for student loans are not a debt, or liability, or a pledge of the faith and credit of the taxing power of the State or any of its political subdivisions.

This is a trust activity and all operating expenses must be paid from revenues and other moneys available to CEFA.

Authority

Education Code Sections 94100–94213.